

MINNEAPOLIS CITY COUNCIL OFFICIAL PROCEEDINGS

REGULAR MEETING OF July 23, 2004

(Published July 31, 2004, in *Finance and Commerce*)

Council Chamber
350 South 5th Street
Minneapolis, Minnesota
July 23, 2004 - 9:30 a.m.

Council President Ostrow in the Chair.

Present - Council Members Zerby, Lilligren, Johnson Lee, Niziolek, Benson, Goodman, Lane, Samuels, Johnson, Colvin Roy, Zimmermann, Schiff, President Ostrow.

Lilligren moved acceptance of the minutes of the regular meeting held July 2, 2004. Seconded.

Adopted upon a voice vote.

Lilligren moved referral of petitions and communications and reports of the City officers to the proper Council committees and departments. Seconded.

Adopted upon a voice vote.

PETITIONS AND COMMUNICATIONS

COMMUNITY DEVELOPMENT:

GRANTS AND SPECIAL PROJECTS (269747)

Consolidated Plan Amendment: Receive public comment on the American Dream Downpayment Initiative Program.

COMMUNITY DEVELOPMENT (See Rep):

COMMUNITY PLANNING & ECONOMIC DEVELOPMENT (269748)

Division of Lot at 2642, 44 and 46 14th Av S: Approve division and waiver of requirement for subdivision plat.

Childrens Health Care Bond Refunding: Approve issuance of refunding revenue bonds for Children's Hospitals in Minneapolis and St. Paul.

Parcel E Project: Preliminary Planning Fund allocation.

Hey City Theater: Authorize termination of lease with SGH Entertainment, execution of short term management and use agreement with Historic Theater Group and preparation of request for proposals for long term use of the theater.

COMMUNITY DEVELOPMENT and TRANSPORTATION & PUBLIC WORKS and W&M/BUDGET (See Rep):

COMMUNITY PLANNING & ECONOMIC DEVELOPMENT (269749)

Van White Memorial Boulevard Project: Agreement with Toltz, King, Duvall, Anderson and Associates, Inc. for design and engineering consulting services.

COMMUNITY DEVELOPMENT and WAYS & MEANS/BUDGET (See Rep):

COMMUNITY PLANNING & ECONOMIC DEVELOPMENT (269750)

Marshall River Run Project (1424 -1448 Marshall St NE): Housing revenue bonds, tax increment finance plan and modification and execution of redevelopment contract with Sherman and Associates.

Upper Harbor River Terminal: Execute operating agreement with River Services, Inc.

GRANTS AND SPECIAL PROJECTS (269751)

Metropolitan Council Livable Communities Demonstration Account Grant Applications: Priority ranking recommendations for project applications.

PURCHASING (269752)

Bid for Chairs for Target Center: Accept low bid meeting specifications of Clarin Company for folding chairs.

HEALTH AND HUMAN SERVICES and WAYS & MEANS/BUDGET (See Rep):

HEALTH AND FAMILY SUPPORT SERVICES (269753)

Public Health Emergency Preparedness: Execute contract with Minnesota Department of Public Safety for receipt of \$20,000 in federal Homeland Security funds to allow local health departments to exercise response efforts to a multi-jurisdictional event that could cause wide spread health and loss of life issues; and Approve appropriation.

INSPECTIONS DEPARTMENT (269754)

Lead Hazard Reduction Project in East Phillips Neighborhood: Authorize apply for up to \$3 million in funding from United States Department of Housing and Urban Development for lead hazard reduction in areas designated by grant application; with funds to primarily be used in conjunction with arsenic cleanup.

INTERGOVERNMENTAL RELATIONS:

GRANTS AND SPECIAL PROJECTS (269755)

Second Quarter 2004 Report.

INTERGOVERNMENTAL RELATIONS (See Rep):

ATTORNEY (269756)

Local Government Aid: Authorize appeal certification of 2005 LGA amount.

PUBLIC SAFETY AND REGULATORY SERVICES (See Rep):

INSPECTIONS DEPARTMENT (269757)

Reinspection Fee: Ordinance amending Title 12, Chapter 244 of Code relating to Housing: Maintenance Code, clarifying that no reinspection fee will be charged when all orders have been completed.

LICENSES AND CONSUMER SERVICES (269758)

Taxicab Driver Training: Execute contract with Hennepin Technical College for an estimated ten classes, to expire June 30, 2005.

Zeno Coffee and Dessert Bar (2919 Hennepin Av): Grant On-Sale Liquor Class C-1 with Sunday Sales License, subject to conditions.

Club Spin (10 S 5th St): Grant On-Sale Liquor Class A with Sunday Sales License, subject to prohibiting Adult Entertainment.

Licenses: Applications.

POLICE DEPARTMENT (269759)

Police Department Business Plan: Approve Plan; and Request Mayor to include in his budget funding to prevent the reduction of 137 positions as laid out in the Business Plan.

PUBLIC SAFETY AND REGULATORY SERVICES and WAYS & MEANS/BUDGET (See Rep):

EMERGENCY COMMUNICATIONS CENTER (ECC) (269760)

Computer Aided Dispatch (CAD) System: Issue Request for Proposal for new CAD System, to include mobile communications and Fire records management system.

FIRE DEPARTMENT (269761)

Homeland Security Grant: Accept \$50,000 grant from Minnesota Department of Public Safety to allow the City's first responders to enhance their training and exercising capabilities for response to a terrorist act or a chemical, biological, radiological, nuclear, or explosive incident that could cause loss of life; and Approve appropriation.

Federal Urban Area Security Initiative Grant: Accept grant allocation of \$4,883,000 to support efforts to prevent, respond, mitigate and recover from any terrorism event that may impact the urban area; and Distribute funding amongst Fire Department, Police Department and Emergency Communications; Execute any other sub-recipient agreements necessary to implement project; Approve appropriations.

POLICE DEPARTMENT (269762)

Manager, MPD Intellectual Properties: Grant Phil Hafvenstein Step 7 of salary schedule.

Police Department Intellectual Properties Initiative: Execute professional services agreement with Sogeti USA LLC for marketing WorkForce Director; Execute five-year agreement for City and Contractor marketing of WorkForce Director; Authorize City to receive revenue; Authorize waiver of Permanent Review Committee requirement for Request for Proposals for upgrades to WorkForce Director; Authorize City Attorney to identify and provide legal services in support of negotiations with Sogeti; furtherance of Intellectual Property Initiative; and protection of City's current and future intellectual properties.

TRANSPORTATION AND PUBLIC WORKS:

PUBLIC WORKS AND ENGINEERING (269763)

Parking Meter Management Plan Update: Receive & File Plan.

I35W/Crosstown Project: Environmental Assessment.

Xcel Energy/NSP (269764)

Install two (2) 65' cedar poles.

Relocate four (4) 50' 3/4 poles on Central Av between 29th & 30th Ave NE.

Install 1 (1) 55' 3/4 pole.

Replace two (2) poles and install one (1) 65' 3/4 pole.

TRANSPORTATION AND PUBLIC WORKS (See Rep):

PUBLIC WORKS AND ENGINEERING (269765)

Cooperative Agreement for Joint Stormwater Monitoring: 1st Amendment.

South Transfer Station (2850 20th Av S): Proposed sale; Comments.

2004 Mpls Aquatennial: Approve festival activities, special events, program components, and permit requests.

Mpls-St. Paul International Airport: Support and enforce noise mitigation plan.

Streetcar System: Map, Midtown Greenway Coalition Resolution and Five Year Priorities, Photo of Kenosha streetcar.

TRANSPORTATION AND PUBLIC WORKS and WAYS & MEANS/BUDGET (See Rep):

PUBLIC WORKS AND ENGINEERING (269766)

Chicago Avenue Reconstruction Project #6194: a) order work to proceed and adopt special assessments; b) Request Board of Estimate and Taxation to issue and sell assessment bonds; and c) Order City Engineer to abandon and remove areaways located in the public street r/w in conflict with the project.

Longfellow Av S: Install two speed humps between 45th & 46th St E.

I-394 Parking Facilities: Amendment to Agreement No. 66310 between Minnesota Commissioner of Transportation and City.

Bids: a) OP #6266, bid of LDV, Inc. for Police Negotiator Van; b) OP #6268, low responsive bid of Road Machinery & Supplies, Inc. to furnish and deliver rental of paving equipment, with option to buy; c) OP# 6274, low bid of Wetland Habitat Restoration, Inc, for wetland establishment and maintenance; d) OP #6281, low bid of Collins Electrical Systems, Inc (d/b/a ColliSys) for installation of traffic signal loop detectors as needed through May 31, 2005; and e) OP #6285, overall low bid of Castrejon, Inc. to furnish and deliver turf establishment.

WAYS AND MEANS/BUDGET:

FINANCE DEPARTMENT (269774)

Budget Update: PowerPoint presentation by Budget Director on 2005 budget pressures.

Workers' Compensation Assessment: Notification that the City will release the six-month assessment to the Minnesota Department of Labor and Industry.

WAYS AND MEANS/BUDGET (See Rep):

ATTORNEY (269767)

Legal Settlement: Approve settlement of the claim of MetLife Auto and Home Insurance Company.

BUSINESS INFORMATION SERVICES (269768)

Amendment to Contract with Bentley Systems Incorporated: Extend contract for additional services related to Engineering 2000 system.

Amendment to Contract with Accela: Increase contract for services related to KIVA system.

COMMUNITY PLANNING & ECONOMIC DEVELOPMENT (269769)

Empowerment Zone Loan to Siyeza: Forgive loan if certain employment goals are met.

CONVENTION CENTER (269770)

Bid for Wall Fabric: Accept low bid of Swanson and Youngdale.

COORDINATOR (269771)

2004 Charitable Campaign: Approve participating organizations.

COORDINATOR (269772)

New Central Library Project Change Order: Increase contract with NewMech Companies, Inc.

FINANCE DEPARTMENT (269773)

Appointment to the Minneapolis Police Relief Association Board: Approve appointment of Michael Nyugen, Director of Treasury.

Anonymous Donation to the City: Accept monetary donation in the amount of \$200.

Financial Services Consultant Panel: Issue request for proposals.

HUMAN RESOURCES (269775)

Long Term Disability and Life Insurance for City Employees: Issue request for proposals.

ZONING AND PLANNING (See Rep):

ATTORNEY (269776)

Lawsuit Settlement:

Industrial Equities Northeast, LLC v. City of Mpls.

HERITAGE PRESERVATION COMMISSION (269777)

Appeals:

Franklin Lofts LLC/Lupe Development Partners (re Franklin Lofts, 111 E Franklin Ave).

INSPECTIONS/BOARD OF ADJUSTMENT (269778)

Appeals:

David Juncker (16 E Minnehaha Pkwy);

Matthew Perry (re John Damico, 4219 Colfax Ave S);

Wayne Liepke (685-22nd Ave NE);

Sam's Club, Inc, for Hillcrest Development, LLC (re 3311 Broadway St NE).

PLANNING COMMISSION/DEPARTMENT (269779)

Moratorium Waiver:

Toni Berg (4557 Camden Ave N).

Rezoning:

Chicago Commons Corp (2401, 2409, 2413, 2417 Chicago Ave S & 2408, 2414 Elliot Ave S);

Mpls Public Housing Authority (1101-4th Ave N);

MHP-Clinton II, LLC (1800-1810 Clinton Ave);

Brakins Homes, Inc (908 Washburn Ave N);

Tad Sonneman (572-74 - 37th Ave NE);

1301 University Avenue Southeast LLC (1301 University Ave SE).

Environmental Assessment Worksheet:

520 & 521 Project (520 & 521 SE 2nd St): Findings of Fact & Record of Decision document.

Vacations:

Chicago Commons Corporation (2401, 2409, 2413, 2417 Chicago Ave S & 2408, 2414 Elliot Ave S)

(See rezonings);

1301 University Avenue Southeast LLC (1301 University Ave S) (See rezonings).

UNFINISHED BUSINESS (See Rep):

Ziegler, Ken, Et Al (269779.1)

Smoking Ban: Licensed bars; Comments.

FILED:

CITY CLERK/SPECIAL PERMITS (269780)

17th St N, 88 (Basilica Block Party) inflatable balloons;

44th St E, 2701 (Hiawatha Neighborhood Assn) pony rides; sidewalks, various locations (MN Fringe Festival) chalk drawings.

LIBRARY, MINNEAPOLIS PUBLIC (269781)

Comprehensive Annual Financial Report, 12/31/2003.

LIBRARY, MINNEAPOLIS PUBLIC (269782)

Minneapolis Library Board Management and Compliance report, year end 12/31/03.

The following reports were signed by Mayor Rybak on 7/27/04, unless noted otherwise. Minnesota Statutes, Section 331A.01, Subd 10, allows for summary publication of ordinances and resolutions in the official newspaper of the city.

REPORTS OF STANDING COMMITTEES

The **COMMUNITY DEVELOPMENT** Committee submitted the following reports:

Comm Dev - Your Committee, having under consideration subdivision of the property at 2642-2644-2646 14th Av S and having held a public hearing thereon, now recommends passage of the accompanying resolution approving said subdivision and waiving the requirement for a subdivision plat.

Your Committee further recommends that this matter be forwarded to the Minneapolis Community Development Agency Board for further action.

Adopted 7/23/04.

Absent - Johnson Lee.

Resolution 2004R-306 approving the subdivision of the property at 2642, 2644 and 2646 14th Av S, was passed 7/23/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-306

By Goodman

Approving the subdivision of a lot at 2642, 2644 & 2646-14th Avenue South.

Whereas, the Minneapolis Community Development Agency (MCDA) has requested that a parcel of land located at 2642, 2644 & 2646 14th Avenue South and legally described as:

Lots 8, 9 and 10, Block 1, Barnes' Rearrangement of Block One Wright's Addition.

be subdivided as follows:

2642-14th Avenue South (TF-400 & 201 (pt)

Lot 8 and the North half of Lot 9, Block 1, Barnes' Rearrangement of Block One Wright's Addition.

2646-14th Avenue South (TF-324 & 201 (pt)

Lot 10 and the South half of Lot 9, Block 1, Barnes' Rearrangement of Block One, Wright's Addition.

Whereas, the proposed subdivision conforms with Minnesota Statutes Section 462.358 and Land Subdivision Regulations adopted by the Minneapolis City Council on July 14, 1995; and

Whereas, pursuant to due notice thereof published in Finance and Commerce on July 2, 2004, a public hearing on said subdivision and proposed sale was duly held in a joint meeting of the Community Development Committee of the City Council and the Operating Committee of the MCDA at 1:30 p.m., July 13, 2004, in Room 319, Minneapolis City Hall, 350 South 5th Street, in the City of Minneapolis, County of Hennepin, State of Minnesota;

Now, Therefore, Be It Resolved by The City Council of The City of Minneapolis:

That the division of the above described property be approved and the requirement of a subdivision plat be waived.

Be It Further Resolved that a certified copy of this resolution shall be attached to the deeds conveying the subdivided parcels.

Adopted 7/23/04.

Absent - Johnson Lee.

Comm Dev - Your Committee, having under consideration a proposal by Children's Health Care for refunding of outstanding Health Care Revenue Bonds and having held a public hearing thereon, now recommends passage of the accompanying resolution giving preliminary and final approval to the issuance of up to \$110,000,000 in Taxable and Tax-exempt 501(c) (3) Refunding Revenue Bonds Children's Hospitals in Minneapolis and St. Paul.

Adopted 7/23/04.

Absent - Johnson Lee.

Approved by Mayor Rybak 7/23/04.

(Published 7/27/04)

Resolution 2004R-307 authorizing issuance of up to \$110,000,000 in Taxable and Tax-exempt 501(c)(3) Refunding Revenue Bonds for the Children's Hospitals in Minneapolis and St. Paul, was passed 7/23/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-307

By Goodman

Authorizing the issuance and sale of revenue bonds of the City and amendment of terms of series 1995b bonds on behalf of Children's Health Care and the execution of documents.

Whereas, this Council has received a proposal from Children's Health Care, a Minnesota nonprofit corporation (the "Corporation"), that the City of Minneapolis (the "City"), acting jointly with the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota (the "HRA," and together with the City, the "Issuer"), issue its revenue bonds (the "Bonds") under Minnesota Statutes, Sections 469.152 to 469.165 (the "Act"), in one or more series, for the purposes of (a) refunding all or a portion of the Issuer's outstanding Health Care Revenue Bonds (Children's Health Care), Series 1995A (the "Series 1995A Bonds"); (b) to finance an approximately 45,000 square feet expansion of Minneapolis-Children's, which is owned by the Corporation and consists of a hospital and other health care related facilities on a campus located at 2525 Chicago Avenue in the City of Minneapolis and improvements to and remodeling of a portion of the Minneapolis-Children's and the acquisition and installation of equipment therein, including the construction of 4 new floors over the existing pediatric intensive care unit in which will be located a family center, new operating rooms and ambulatory services, the remodeling of the neonatal intensive care unit, and the acquisition and installation of imaging and other medical equipment (the "Minneapolis Project"); (c) to finance improvements to and remodeling of a portion of St. Paul-Children's, which is owned by the Corporation and consists of a hospital and other health care related facilities on a campus located at 345 North Smith Avenue in the City of St. Paul, and the acquisition and installation of equipment therein, including the remodeling of the neonatal intensive care unit, construction of a new CATH lab, installation of a new telephone system and the acquisition and installation of imaging and other medical equipment (the "St. Paul Project"); (d) if required in connection with the issuance and sale of the Bonds, to fund a deposit to the debt service reserve fund securing the Bonds, and (e) to pay certain costs of issuance of the Bonds; and

Whereas, under the plan of financing proposed by the Corporation the bonds issued by the Issuer to refund the Series 1995A Bonds will initially be issued as bonds the interest on which is includable in gross income for federal income tax purposes (the "Taxable Bonds"), and the Taxable Bonds will later be reissued for federal income tax purposes by the Issuer as bonds the interest on which is not includable in gross income for federal income tax purposes; and

Whereas, at a public hearing, duly noticed and held on July 13, 2004, in accordance with the Act and Section 147(f) of the Internal Revenue Code of 1986, as amended, on the proposal that the Issuer issue the Bonds to refund the Series 1995A Bonds and to finance the Minneapolis Project and St. Paul Project, all parties who appeared at the hearing were given an opportunity to express their views with respect to the proposal to refund the Series 1995A Bonds and to finance the Minneapolis Project and the St. Paul Project, and interested persons were given the opportunity to submit written comments to the City Clerk before the time of the hearing; and

Whereas, this Council hereby finds that the issuance and sale of up to \$110,000,000 aggregate principal amount of the Bonds in one or more series under the authority contained in the Act to refund the Series 1995A Bonds and to finance the Minneapolis Project and the St. Paul Project would promote the purposes contemplated and described in Section 469.152 of the Act and further promote the public purposes and legislative objectives of the Act by providing the City and surrounding area with necessary healthcare facilities, is in the best interest of the City and the City hereby determines to issue and sell such Bonds; and

Whereas, in connection with the issuance of the Bonds the City and HRA will enter into a Joint Powers Agreement (the "Joint Powers Agreement"), a draft of which has been presented to the Council at this meeting and which has been reviewed to the extent deemed necessary; and

Whereas, the proceeds of the Bonds will be lent (the "Loan") by the City and the HRA to the Corporation, in order to refund the 1995A Bonds, to finance the Minneapolis Project and the St. Paul

Project, to fund a debt service reserve fund for the Bonds if required in connection with the issuance and sale of the Bonds and to pay certain costs of issuance of the Bonds; and

Whereas, pursuant to one or more Loan Agreements (whether one or more, the "Loan Agreement"), to be entered into between the City, the HRA and the Corporation, a draft of which has been presented to the Council at this meeting and which has been reviewed to the extent deemed necessary, the Corporation will issue to the City and the HRA its Note or Notes (whether one or more, the "Notes"). The Notes will be issued under the Master Trust Indenture (the "Master Indenture"), dated as of September 1, 1995, between the Corporation and U.S. Bank National Association, formerly known as First Trust National Association, as trustee (the "Master Trustee"), as supplemented and amended by a Supplemental Indenture ("Supplemental Indenture") to be entered into between the Corporation and the Master Trustee. Under the Notes the Corporation, and other members of the Obligated Group under the Master Indenture, will unconditionally agree to repay the Loan made by the City under the Loan Agreement in specified amounts and at specified times sufficient to make the necessary payments of principal of, premium, if any, and interest on the Bonds, when due. In addition, the Loan Agreement contains provisions relating to the payment by the Corporation of administrative costs of the Bond Trustee (as hereinafter defined), the administrative fee of the City and HRA, indemnification, insurance and other agreements and covenants which are required by the Act or which are permitted by the Act and which the City and HRA and the Corporation deem necessary or desirable for the sale of the Bonds; and

Whereas, pursuant to one or more Indenture of Trusts (whether one or more, the "Bond Indenture") to be entered into between the City, the HRA and a trustee to be named (the "Bond Trustee"), a draft of which has been presented to the Council at this meeting and which has been reviewed to the extent deemed necessary, the Issuer assigns and pledges all of its right, title and interest in the Loan Agreement (other than the right of the Issuer for indemnification and administrative expenses), the Notes, the Master Indenture and the Supplemental Indenture to the Bond Trustee. In addition, the Bond Indenture, among other things, sets the interest rates, maturity dates and redemption provisions for the Bonds, establishes the various funds and accounts for the deposit and transfer of money and contains other provisions which are required by the Act or which are permitted by the Act and which the Issuer and the Corporation deem necessary or desirable in connection with the sale of the Bonds; and

Whereas, pursuant to the terms of an Escrow Agreement (the "Escrow Agreement"), to be entered into between the City, HRA and the Corporation, the Bond Trustee and an escrow agent (the "Escrow Agent"), the form of which has been presented to the Council at this meeting and which has been reviewed to the extent deemed necessary, a portion of the proceeds of the Bonds will be deposited with the Escrow Agent and applied, with other available funds of the Corporation and any funds held by the trustee of the Series 1995A Bonds, for the purpose of defeasing the Series 1995A Bonds; and

Whereas, the Bonds will be special limited obligations of the Issuer payable solely from amounts payable by the Corporation and other members of the Obligated Group under the Master Indenture under the Notes, other than to the extent payable from the proceeds of the Bonds. The Bonds shall not be payable from or charged upon any funds other than the revenue pledged to the payment thereof, nor shall the City or HRA be subject to any liability thereon. No holder or holders of any Bond shall ever have the right to compel any exercise of the taxing power of the City or HRA to pay any such Bond or the interest thereon, nor to enforce payment thereof against any property of the City or HRA except the Notes. The Bonds shall not constitute a debt of the City or HRA within the meaning of any charter, constitutional or statutory limitation; and

Whereas, the Bonds will be purchased from the Issuer by Piper Jaffray & Co. (the "Underwriter") pursuant to one or more Purchase Contracts (whether one or more, the "Bond Purchase Agreement") between the City, HRA, the Corporation and the Underwriter, a copy of which has been presented to the Council at this meeting and which has been reviewed to the extent deemed necessary; and

Whereas, a draft of an Official Statement, related to the Bonds, has been presented to the Council at this meeting and has been reviewed to the extent deemed necessary. The Official Statement will be distributed by the Underwriter to potential purchasers of the Bonds; and

Whereas, the Issuer has previously issued its Health Care Revenue Bonds (Children's Health Care), Series 1995B (the "Series 1995B Bonds"), on behalf of the Corporation to finance improvements to and the acquisition and installation of equipment in Minneapolis-Children's and St. Paul-Children's; and

Whereas, the Series 1995B Bonds were issued by the Issuer pursuant to a Bond Trust Indenture dated as of September 1, 1995 (the "1995B Bond Indenture"), by and between the City, the HRA and the U.S. Bank National Association, as bond trustee (the "1995B Bond Trustee"), and the proceeds of the Series 1995B Bonds were loaned by the City and HRA to the Corporation pursuant to a Loan Agreement dated as of September 1, 1995 (the "1995B Loan Agreement"), by and between the City, the HRA and the Corporation; and

Whereas, the Corporation has proposed that the terms of Series 1995B Bonds be amended and that in connection with such amendment of the terms of the Series 1995B Bonds, the 1995B Bond Indenture be amended and restated pursuant to the Amended and Restated Bond Trust Indenture by and between the City, the HRA and the 1995B Bond Trustee (the "Amended 1995B Bond Indenture"), the form of which has been presented to the Council at this meeting and has been reviewed to the extent deemed necessary, and that the 1995B Loan Agreement be amended and restated pursuant to an Amended and Restated Loan Agreement by and between the City, the HRA and the Corporation (the "Amended 1995B Loan Agreement"), the form of which has been presented to the Council at this meeting and has been reviewed to the extent deemed necessary;

Now, Therefore, Be It Resolved by The City Council of The City of Minneapolis:

That in order to provide for the refunding of the Series 1995A Bonds, and to finance the Minneapolis Project and the St. Paul Project, the City hereby authorizes the issuance of the Bonds as revenue bonds under the Act in one or more series, in the aggregate principal amount of up to \$110,000,000 (exclusive of any portion representing original issue discount). The City Finance Officer is hereby authorized to approve the purchase price of the Bonds, provided that the purchase price equals or exceeds 98% of the principal amount of the Bonds less any portion of such principal amount which represents original issue discount; the aggregate principal amount of the Bonds, provided that such principal amount is not in excess of \$110,000,000 (exclusive of any portion representing original issue discount); the maturity schedule of the Bonds, provided that the Bonds mature at any time or times in such amount or amounts not exceeding 30 years from the date of issuance thereof; the provisions for prepayment and redemption of the Bonds prior to their stated maturity; and the initial interest rates for any series of Bonds, provided that no initial interest rate exceeds 5.00% per annum. Such approval shall be conclusively evidenced by the execution of the Bond Purchase Agreement as provided herein. The issuance of the Bonds is subject to the approval by the Minnesota Department of Employment and Economic Development as required by the Act.

Be It Further Resolved that each Bond shall be executed on behalf of the City by the manual or facsimile signature of the City Finance Officer, and its corporate seal (which may be in facsimile) shall be thereunto affixed, imprinted or engraved. The Bonds when executed and delivered shall contain a recital that they are issued pursuant to the Act. The Bond Trustee is hereby designated as authenticating agent pursuant to Minnesota Statutes, Section 475.55. If any officer who shall have signed or sealed any of the Bonds shall cease to be an officer of the City before the Bonds so signed and sealed shall have been actually authenticated by the Trustee or delivered by the City, such Bonds nevertheless may be authenticated, issued and delivered with the same force and effect as though the person who signed or sealed such Bonds had not ceased to be such officer of the City.

Be It Further Resolved that the Joint Powers Agreement, the Bond Indenture, the Loan Agreement, and the Escrow Agreement are hereby made a part of this Resolution as fully as though set forth in full herein and are hereby approved in the form submitted to this meeting, and the City Finance Officer is hereby authorized and directed to execute, acknowledge and deliver the Bond Indenture, the Loan Agreement and the Escrow Agreement on behalf of the City with such changes, insertions and omissions therein as do not change the substance of the Joint Powers Agreement, the Bond Indenture, Loan Agreement or the Escrow Agreement and as may be approved by the City Finance Officer, such approval to be evidenced conclusively by his execution of the Joint Powers Agreement, the Bond Indenture, the Loan Agreement and the Escrow Agreement.

Be It Further Resolved that the City hereby consents to the distribution by the Underwriter to potential purchasers of the Bonds of a Preliminary Official Statement in substantially the form of the Official Statement submitted to the Council at this meeting if it is determined by the Underwriter and the Corporation to be necessary to distribute a Preliminary Official Statement to potential purchasers of the Bonds, and consents to the distribution by the Underwriter of the Official Statement by the Underwriter to potential purchasers or purchasers of the Bonds in substantially the form submitted to the Council at this meeting. The City has not and will not participate in the preparation of the Preliminary Official Statement or Official Statement and has made no independent investigation with respect to the information contained therein or in the appendices thereto, and the City assumes no responsibility for the sufficiency, accuracy or completeness of such information.

Be It Further Resolved that the Bond Purchase Agreement is hereby made a part of this Resolution as fully as though set forth in full herein and is hereby approved in the form submitted to this meeting and, upon the determination of the terms of the Bonds (within the limitations set forth herein) and the execution of the Bond Purchase Agreement by the Corporation and the Underwriter, the City Finance Officer is hereby authorized and directed to execute the Bond Purchase Agreement on behalf of the City, with such further changes, insertions or omissions therein as do not change the substance of the Bond Purchase Agreement and as may be approved by the City Finance Officer, such approval to be evidenced conclusively by his execution of the Bond Purchase Agreement.

Be It Further Resolved that the amendment of the terms of the Series 1995B Bonds is hereby approved and the Amended 1995B Bond Indenture and the Amended 1995B Loan Agreement are hereby made a part of this Resolution as fully as though set forth in full herein and are hereby approved in the form submitted to this meeting, and the City Finance Officer is hereby authorized and directed to execute, acknowledge and deliver the Amended 1995B Bond Indenture and the Amended 1995B Loan Agreement on behalf of the City with such changes, insertions and omissions therein as do not change the substance of the Amended 1995B Bond Indenture or the Amended 1995B Loan Agreement and as may be approved by the City Finance Officer, such approval to be evidenced conclusively by his execution of the Amended 1995B Bond Indenture and the Amended 1995B Loan Agreement.

Be It Further Resolved that the reissuance of the Taxable Bonds for federal tax purposes as bonds the interest on which is not includable in gross income for federal tax purposes is hereby approved, and the City Finance Officer is authorized to execute and deliver all documents on behalf of the City as may be required in connection with such reissuance of the Taxable Bonds for federal income tax purposes.

Be It Further Resolved that the Mayor, the City Clerk, the City Finance Officer and all other officers of the City are hereby authorized and directed to execute and deliver all other documents which may be required under the terms of the Joint Powers Agreement, the Bond Indenture, the Loan Agreement, the Escrow Agreement, the Bond Purchase Agreement, the Amended 1995B Bond Indenture and the Amended 1995B Loan Agreement, and to take such other action as may be required or appropriate for the performance of the duties imposed thereby or to carry out the purposes thereof.

Be It Further Resolved that in the absence or disability of the Mayor, the City Clerk, the City Finance Officer or any other officer of the City named in any instrument to be executed on behalf of the City in connection with the issuance of the Bonds and amendment of the terms of the Series 1995B Bonds, the acting Mayor, Assistant City Clerk, Assistant City Finance Officer or other officer may execute such instrument. The execution of any instrument by an officer of the City shall be conclusive evidence of its approval.

Be It Further Resolved that the City Finance Officer is hereby designated for all purposes of the Loan Agreement, the Bond Indenture and the Bond Purchase Agreement as the City official authorized to execute on behalf of the City certificates, requests or consents as provided in the Loan Agreement, the Bond Indenture and the Bond Purchase Agreement.

Be It Further Resolved that the bonds are hereby designated "Program Bonds" and are determined to be within the "Health Care Program" and the "Program", all as defined in Resolution 88R-021 of the City adopted January 29, 1988, and as amended by Resolution 97R-402 of the City adopted December 12, 1997.

Adopted 7/23/04.

Absent - Johnson Lee.

Approved by Mayor Rybak 7/23/04.

Comm Dev - Your Committee recommends approval of a 2004 Preliminary Planning Fund allocation in the amount of \$73,411 for the Parcel E Project, to be used for costs in 2004 relative to parking construction and various activities relating to the redevelopment of the parcel and to be reimbursed from future land sale proceeds.

Adopted 7/23/04.

Absent - Johnson Lee.

Comm Dev - Your Committee, having under consideration applications for Metropolitan Council Livable Communities Demonstration Account (LCDA) 2004 Development Grants and having received the recommendations of a staff review team for priority ranking of the applications, now recommends that grant applications for the following projects be forwarded, in the priority order listed, to the Metropolitan Council:

- Heritage Park, \$1,500,000;
- Franklin-Portland Gateway, Phase III, \$1,500,000;
- Midtown Exchange (Sherman rental), \$1,500,000.

Adopted 7/23/04.

Absent - Johnson Lee.

Comm Dev - Your Committee, having under consideration a report outlining the current delinquent status the City's lease of the Hey City Theater facility at 824 Hennepin Av, now recommends:

a) That the proper City officers be authorized to terminate the lease of the building at 824 Hennepin Av with SGH Entertainment under the terms and conditions recommended by Community Planning and Economic Development (CPED) Department staff (Petr No 269748);

b) Authorize the CPED Director to enter into a Management and Operating Agreement with Historic Theater Group for a term of up to six months for the building at 824 Hennepin Av;

c) Direct the proper City staff to prepare a Request for Proposals seeking long term users, lessee or purchaser of the building.

Adopted 7/23/04.

Absent - Johnson Lee.

Approved by Mayor Rybak 7/23/04.

(Published 7/27/04)

The **COMMUNITY DEVELOPMENT, TRANSPORTATION & PUBLIC WORKS** and **WAYS & MEANS/BUDGET** Committees submitted the following report:

Comm Dev, T&PW & W&M/Budget - Your Committee, having under consideration the matter of design and engineering consultant services required for the Bassett Creek Valley portion of the new Van White Memorial Boulevard and having received a staff recommendation to authorize negotiation and execution of an agreement for services with Toltz, King, Duval, Anderson and Associates, Inc. (TKDA) as the design and engineering consultant, now recommends:

Comm Dev & W&M/Budget -

a) Approval to negotiate and execute an agreement with TKDA; and

b) That language in the staff report that would allow additional traffic lanes on Van White Boulevard in the future be deleted; and

c) That representatives of the 5th and 7th Ward Offices (as designated by the Ward 5 and 7 Council Members) be included in the group that will be engaged in establishing design criteria;

T&PW -

a) Approval to negotiate and execute an agreement with TKDA; and

b) That the Permanent Review Committee, the City Attorney, and the appropriate staff of the Purchasing Department meet to interpret Section 18.200 of the Minneapolis Code of Ordinances entitled, "Equal benefits provisions in contracts" to determine when documentation relating to offering domestic partner benefits is required in Requests for Proposals.

Goodman moved to substitute a new report for the above report. Seconded.

Adopted upon a voice vote.

Comm Dev, T&PW & W&M/Budget - Your Committee, having under consideration the matter of design and engineering consultant services required for the Bassett Creek Valley portion of the new Van White Memorial Boulevard and having received a staff recommendation to authorize negotiation and execution of an agreement for services with Toltz, King, Duval, Anderson and Associates, Inc. (TKDA) as the design and engineering consultant, now recommends:

- a) Approval to negotiate and execute an agreement with TKDA; and
- b) That language in the staff report that would allow additional traffic lanes on Van White Boulevard in the future be deleted; and
- c) That representatives of the 5th and 7th Ward Offices (as designated by the Ward 5 and 7 Council Members) be included in the group that will be engaged in establishing design criteria;
- d) That the Permanent Review Committee, the City Attorney, and the appropriate staff of the Purchasing Department meet to interpret Section 18.200 of the Minneapolis Code of Ordinances entitled, "Equal benefits provisions in contracts" to clarify and have a common understanding of when documentation relating to offering domestic partner benefits is required in Requests for Proposals.

The report, as substituted, was adopted 7/23/04.

The **COMMUNITY DEVELOPMENT** and **WAYS & MEANS/BUDGET** Committees submitted the following reports:

Comm Dev & W&M/Budget - Your Committee, having under consideration approval of Housing Revenue Bonds, a Tax Increment Financing Plan and the terms of a redevelopment contract for the Marshall River Run Project (1424 and 1448 Marshall St NE), now recommends:

- a) Passage of the accompanying resolution adopting the Marshall River Run Tax Increment Finance Plan and Modification No. 3 to the grain Belt Brewery Redevelopment Plan;
- b) Approval of business terms for a redevelopment contract for said project (as included in Petn No 269748);
- c) Passage of the accompanying resolution granting final approval to the issuance of up to \$7,600,000 in tax-exempt Multifamily Housing Development Bonds;
- d) Passage of the accompanying resolution authorizing the issuance of a Limited Revenue, Pay-As-You-Go Tax Increment Financing Note to Marshall River Run Limited Partnership in a principal amount not to exceed \$1,331,000; and
- e) Authorization for the proper City officers to execute redevelopment contract documents with Sherman Associates (or its affiliates), based on the terms set forth in Petn No 269748, and all necessary documents related to said recommended action.

Your Committee further recommends inclusion of the following additional terms in the redevelopment contract for said project:

- The developer has obtained a reservation for 16 project-based Section 8 units, which will be used to provide the 16 units that would be affordable at 30% of MMI. However, if the developer does not actually receive Section 8 funding for all or some of these 16 units in the form of a Housing Assistance Payments (HAP) contract, any unfunded units would then be affordable at 50% of MMI. The developer will also not request any additional City funding for these units;

- If there is any remaining gap in this project, the developer will not request additional funding from the City, but will cover any gap from its own funds or by securing non-City funding.

Goodman moved to divide the report so as to consider separately the resolution referred to in paragraph C. Seconded.

Adopted upon a voice vote.

Goodman moved that the separated portion be postponed. Seconded.

Adopted upon a voice vote.

Goodman moved adoption of the balance of the report. Seconded.

Adopted 7/23/04.

Declining to Vote - Johnson.

Resolution 2004R-308 adopting the Marshall River Run Tax Increment Financing Plan and Modification No. 3 to the Grain Belt Brewery Redevelopment Plan, was passed 7/23/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-308
By Goodman and Johnson

Adopting the Marshall River Run Tax Increment Finance (TIF) Plan, and Modification No 3 to the Grain Belt Brewery Redevelopment Plan.

Resolved by The City Council of The City of Minneapolis:

Section 1. Recitals

1.1 Pursuant to Laws of Minnesota 2003, Chapter 127, Article 12, Sections 31-34, and Minneapolis Code of Ordinances, Chapter 415, the City of Minneapolis (the "City"), acting by and through its department of Community Planning and Economic Development, has been granted the authority to propose and implement city development districts, housing and redevelopment projects and tax increment financing districts, all pursuant to Minnesota Statutes, Sections 469.001 through 469.134, and 469.174 through 469.179, as amended, and other laws enumerated therein (collectively, the "Project Laws").

1.2 That by Resolution duly adopted on December 19, 1986, the City approved the creation of the Grain Belt Brewery Redevelopment Project and the adoption of the Grain Belt Brewery Redevelopment Plan dated November 14, 1986, revised December 19, 1986, which was further modified on August 11, 2000 which modification amended the Grain Belt Development Objectives, and an expansion of the Grain Belt Redevelopment Project Area boundary, and further modified on September 26, 2003, which modification adopted the Grain Belt TIF Plan. The Grain Belt Brewery Redevelopment Project Area is included within the Common Development and Redevelopment Project Area and Common Tax Increment Finance District.

1.3 That by Resolution No 89R-530 duly adopted December 15, 1989 and approved December 21, 1989, the City approved the creation of the Common Development and Redevelopment and Common TIF Plan (the "Common Plans") relating hereto, all pursuant to Minnesota Laws. The Grain Belt Brewery Redevelopment Project Area (the "Project Area") is included within the Common Development and Redevelopment Project Area and Common TIF District (the "Common Project"). The parcels included in the new Marshall River Run TIF District remain within the existing Grain Belt Brewery Redevelopment Project Area, however, the new Marshall River Run TIF District is not being incorporated into the Common Project and will not be subject to the existing Common Project obligations and commitments and is a freestanding TIF district.

1.4 It has been proposed and the City has prepared, and this Council has investigated the facts with respect to, a proposed new Marshall River Run TIF Plan, and a proposed Modification No 3 to the Grain Belt Brewery Redevelopment Plan, ("collectively, the Plans"). The Plans modify the existing Grain Belt Brewery Redevelopment Plan to designate property to be included within the boundaries of the proposed TIF district, identify a budget for expenditures, reflect project activities and costs, and establish a redevelopment TIF District, all pursuant to and in accordance with the Project Laws.

1.5 The City has performed all actions required by law to be performed prior to the adoption of the Plans, including, but not limited to, a review of the proposed Plans by the affected neighborhood groups and the City Planning Commission, transmittal of the proposed Plans to the Hennepin County Board of Commissioners and the School Board of Special School District No 1 for their review and comment, and the holding of a public hearing after published and mailed notice as required by law.

1.6 The Marshall River Run TIF District (the "TIF District") is being established within and under the authority of the Grain Belt Brewery Project Area.

1.7 The Council hereby determines that it is necessary and in the best interests of the City at this time to approve the Plans to reflect project activities and costs in the Project Area and TIF District.

Section 2. Findings for the Adoption of the Plans

2.1 The Council hereby finds, determines and declares that the TIF District is a redevelopment district pursuant to Minnesota Statutes, Section 469.174, Subdivision 10 (a). The proposed TIF District is located within the Grain Belt Brewery Redevelopment Project Area, in accordance with the provisions of Minnesota Statutes Sections 469.001 through 469.047.

2.2 The Council further finds, determines and declares that the use of tax increment financing is deemed necessary as the proposed development would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and that the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the district permitted by the TIF plan. Because it is the opinion of the City of Minneapolis that the proposed Project to be financed, in part, by this TIF District would not occur solely through private investment at this time, the City projects that the estimated market value of the site without the use of tax increment would remain at its present level. The calculations necessary to pass this test are contained in the TIF Plan on page 12. As shown, the public redevelopment activity, expenditures, and market values associated with the redevelopment that is proposed in this plan results in a series of calculations and figures that clearly pass the market value test. It is therefore the opinion of the City of Minneapolis that the development in this TIF District could not occur solely through private investment within the foreseeable future.

2.3 The Council hereby finds, determines and declares that the Plans will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the redevelopment of the project by private enterprise, as the proposed redevelopment removes blight and blighting influences, and will create needed housing for persons of all incomes, including low and moderate income residents, as the project complies with the City Affordable Housing Policy which requires that 20% of the units be affordable units. Private redevelopment of the property included in the TIF District could not occur without public participation and financial assistance because rents and prices of the for-sale units, as well as the high costs of contamination cleanup, are not sufficient to amortize the entire cost of this development.

2.4 The Council further finds, determines and declares that the Plans conform to the general plan for the development or redevelopment of the City as a whole. The project reflects a number of key Minneapolis Plan policies related to fulfillment of affordable housing needs. Written comments of the Planning Commission with respect to the Plans were issued, are incorporated herein by reference, and are on file in the office of the City Clerk.

2.5 The Council further finds, determines and declares that the entire fiscal disparity contribution required of the City for development occurring within this district be taken from outside the TIF District. The election provided in the Minnesota Statutes Section 469.177, Subdivision 3, paragraph (a) is elected.

2.6 The Council further finds, determines and declares that the property to be included in the TIF District consists of two parcels consisting of four buildings. The buildings in the proposed TIF District were found to have numerous defects or deficiencies, as well as environmental concerns including the use and storage of petroleum products, solvents, and other gasoline-related conditions. The structures are in poor condition and do not meet Uniform Building, Energy and Minneapolis Housing Maintenance Codes and Ordinances. The duplex structure is in poor condition, in deteriorated condition, is incompatible with surrounding uses, and contains numerous structural defects and lacks essential utilities and facilities. The property is not feasible for rehabilitation to accommodate appropriate land use. The parcels are found to be blighted and substandard to a degree requiring substantial renovation and the parcels show signs of deficiencies in other categories such as lack of essential utilities, fire protection, contain asbestos and lead containing materials, and do not meet basic energy conservation code requirements. The estimated cost to bring these structures into compliance with the building codes exceeds 15% of the cost of constructing a new structure on the site with the same square footage and type. Documentation supporting these findings is on file in the office of the Development Finance Division, Crown Roller Mill, 105 5th Avenue South, Minneapolis, Minnesota

2.7 The Council further finds, determines and declares that it is necessary and in the best interests of the City at this time to approve the Plans.

2.8 The Council hereby finds, determines and declares that the objectives and actions authorized by the Plans are consistent with the undertaking of a redevelopment project area and redevelopment TIF district, all pursuant to and in accordance with the Project Laws.

Section 3. Approval of the Plans; Creation of TIF District

3.1 Based upon the findings set forth in Section 2, the Marshall River Run TIF Plan and Modification No 3 to the Grain Belt Brewery Redevelopment Plan creating the Marshall River Run TIF District presented to the Council on this date are hereby approved and shall be placed on file in the office of the City Clerk.

Section 4. Implementation of the Plans

4.1 The officers and staff of the City and the City's consultants and counsel, are authorized and directed to proceed with the implementation of the Plans, and for this purpose to negotiate, draft, prepare and present to this Council for its consideration, as appropriate, all further modifications, resolutions, documents and contracts necessary for this purpose.

Adopted 7/23/04

Declining to Vote - Johnson

Resolution 2004R-309 authorizing issuance of a tax increment limited revenue note in an amount not to exceed \$1,331,000 in connection with the Marshall River Run Project, was passed 7/23/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-309
By Goodman and Johnson

Authorizing the issuance of a tax increment limited revenue note in substantially the form recited herein in a principal amount not exceeding \$1,331,000 in connection with the Marshall River Run Project.

Whereas, pursuant to Laws of Minnesota 2003, Chapter 127, Article 12, Sections 31-34, and Minneapolis Code of Ordinances, Chapter 415, the City of Minneapolis (the "City"), acting by and through its Department of Community Planning and Economic Development, has been granted the authority to propose and implement city development districts, housing and redevelopment projects and tax increment financing districts, transact business and exercise its powers, all in accordance with Minnesota Statutes, Sections 469.001 through 469.134 and 469.174 through 469.1799, as amended, and other laws enumerated therein (collectively, the "Project Laws").

Whereas, in furtherance of the objectives of the Project Laws, the City has undertaken programs for commercial revitalization, historic preservation, and the clearance and reconstruction or rehabilitation of blighted, deteriorated, deteriorating, vacant, unused, underused or inappropriately used, areas of the City, and in this connection the City has adopted the Grain Belt Brewery Redevelopment Plan dated November 14, 1986, as modified to date (the "Plan"), which plan describes the boundaries and objectives for redevelopment of the Grain Belt Brewery Redevelopment Project Area ("Project Area"); and

Whereas, in furtherance of the Plan, the City is engaged in carrying out a redevelopment project known as the Marshall River Run project (the "Project") through a redevelopment contract (the "Redevelopment Contract") to be entered into by and between the City and Marshall River Run Limited Partnership, a Minnesota limited partnership (the "Developer"); and

Whereas, pursuant to Minnesota Statutes, Sections 469.174 through 469.1799, as amended (the "Tax Increment Act"), the City has prepared and concurrently with this resolution is approving the Marshall River Run Tax Increment Financing Plan for the Project; and

Whereas, pursuant to the Tax Increment Act, and specifically Section 469.178, subd. 4, the City is authorized to issue its tax increment revenue notes to finance the public redevelopment costs of the Project; and

Whereas, the City proposes to issue a taxable tax increment limited revenue note to the Developer pursuant to the Redevelopment Contract, which includes a development plan and commitment by the Developer to cause the development of certain real property located in the Project into approximately 74 rental housing units and related site and public improvements;

Now, Therefore, Be It Resolved by The City Council of The City of Minneapolis:

1. That it is desirable that the City issue a tax increment limited revenue note (the "Note") in substantially the following form:

[Form of Note]

**UNITED STATES OF AMERICA
STATE OF MINNESOTA
COUNTY OF HENNEPIN
CITY OF MINNEAPOLIS**

**TAXABLE TAX INCREMENT LIMITED REVENUE NOTE
(Marshall River Run Project)**

The City of Minneapolis (the "City"), hereby acknowledges itself to be obligated and, for value received, promises to pay to the order of Marshall River Run Limited Partnership, a Minnesota limited partnership (the "Developer"), solely from the source, to the extent and in the manner hereinafter provided, the principal amount of this Note, being One Million Three Hundred Thirty-One Thousand and No/100 Dollars (\$1,331,000.00) or such lesser amount as may equal the Certified Public Redevelopment Costs, with interest at the Note Rate, in the installments specified in this Note, on the Payment Dates.

Capitalized terms not defined elsewhere in this Note shall have the meanings below:

"Available Tax Increment" means the Tax Increment received by the City during the period preceding each Payment Date, less (i) the amount of Tax Increment, if any, which the City must pay to the school district, the county and the state pursuant to *Minnesota Statutes*, Sections 469.177, Subds. 9, 10, and 11; 469.176, Subd. 4h; and 469.175, Subd. 1a, as the same may be amended from time to time; and (ii) actual administrative costs of the City in an amount not to exceed 10% of the Tax Increment.

"Certificate of Approved Public Redevelopment Costs" means a certificate in substantially the form attached to the Contract, by which the City certifies the Public Redevelopment Costs pursuant to the terms of the Contract.

"Contract" means that certain Redevelopment Contract by and between the City and the Developer dated [insert date], 2004.

"District" means the Marshall River Run Tax Increment Financing District within the Redevelopment Project.

"Maturity Date" means the earlier of (i) February 1 of the year following the final year of Tax Increment collection from the District; and (ii) the date when the principal and interest amount of this Note has been paid in full.

"Minimum Improvements" means new construction of approximately 74 rental housing units and related parking and site improvements as described in the Contract.

"Note Rate" means six percent (6%) annual interest.

"Payment Date" means August 1 of the year of first increment collection from the District and each August 1 and February 1 thereafter until the Maturity Date.

"Redevelopment Project" means the Grain Belt Brewery Redevelopment Project, which includes the Property.

"Property" means the real property legally described in the attached **Exhibit A**, which is located within the Redevelopment Project and upon which the Minimum Improvements are to be constructed.

"Public Redevelopment Costs" means actual Public Redevelopment Costs as defined in the Contract, not in excess of \$1,331,000 related to the Minimum Improvements and which are approved by the City pursuant to the Contract.

“Tax Increment” means that portion of the property taxes generated by the Property and Minimum Improvements that is actually remitted to the City as tax increment under the Tax Increment Act.

“Tax Increment Act” means *Minnesota Statutes*, Section 469.174-469.1799, as amended, or any successor statutes applicable to the District.

On each Payment Date, the City shall pay the Developer an installment equal to the lesser of (i) the Available Tax Increment or (ii) the amount necessary to pay the accrued unpaid interest and the unpaid principal amount of this Note in full. In the event the Developer is in default with respect to the provisions of the Contract, the City may suspend payment on this Note until the default is cured or the Contract and the City’s obligations under this Note are terminated. To the extent that on any Payment Date there is insufficient Available Tax Increment to make a scheduled payment, such failure to make a scheduled payment shall not constitute a default under this Note. If the Developer or other Minimum Improvements’ owner fails to pay all or a portion of the property taxes due and owing on the Minimum Improvements, then upon such failure to pay, no interest as required by the Note shall accrue on an amount equal to the amount of the Available Tax Increment that would have been paid to the City had such property tax amounts been paid.

Interest shall accrue on the initial principal amount of this Note from the date of issue of the Certificate of Approved Public Redevelopment Costs. Each payment under this Note, whether a scheduled payment or any other payment, shall be applied first to current interest, then to accrued unpaid interest and then to the unpaid principal amount of this Note.

On the Maturity Date, this Note shall be deemed paid in full and the City shall have no further obligation under this Note even if the aggregate of the Available Tax Increment that has actually been paid to the Developer on the Payment Dates is less than the full principal and interest amount of this Note. The obligation of the City to make any scheduled payment shall terminate if and to the extent that the full principal and interest amount of this Note has been paid in full. This Note may be prepaid in full or in part at any time without penalty.

Each payment on this Note is payable in any coin or currency of the United States of America which on the date of such payment is legal tender for public and private debts and shall be made by wire transfer, check or draft made payable to the Developer and mailed to the Developer at *[insert address]* or such other address as the Developer shall provide in writing to the City’s notice address as set forth in the Contract.

The Note is a special and limited obligation and not a general obligation of the City, which has been issued by the City pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including *Minnesota Statutes*, Section 469.178, subdivision 4, to aid in financing a “project”, as therein defined, of the City consisting generally of defraying certain public redevelopment costs incurred by the Developer within and for the benefit of the Project.

THE NOTE IS NOT A DEBT OF THE STATE OF MINNESOTA (THE “STATE”), OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE CITY OF MINNEAPOLIS, MINNESOTA, EXCEPT THAT THE CITY SHALL BE OBLIGATED TO MAKE PAYMENTS FROM AVAILABLE TAX INCREMENT AS SET FORTH HEREIN, AND NEITHER THE STATE NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE CITY, SHALL BE LIABLE ON THE NOTE, EXCEPT FOR THE CITY’S OBLIGATION TO MAKE PAYMENTS FROM AVAILABLE TAX INCREMENT AS SET FORTH HEREIN, NOR SHALL THE NOTE BE PAYABLE OUT OF ANY FUNDS OR PROPERTIES OTHER THAN AVAILABLE TAX INCREMENT AS SET FORTH HEREIN.

This Note shall not be transferred to any person, unless the City has been provided with an opinion of counsel acceptable to the City that such transfer is exempt from registration and official statement delivery requirements of federal and applicable state securities law and an investment letter reasonably acceptable to the City.

This Note shall not be payable from or constitute a charge upon any funds of the City, and the City shall not be subject to any liability hereon or be deemed to have obligated itself to pay hereon from any funds except the Available Tax Increment, and then only to the extent and in the manner herein specified.

The Developer shall never have or be deemed to have the right to compel any exercise of any taxing power of the City or of any other public body, and neither the City nor any person executing or registering this Note shall be liable personally hereon by reason of the issuance of registration thereof or otherwise.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and the laws of the State of Minnesota to be done, to have happened, and to be performed precedent to and in the issuance of this Note have been done, have happened, and have been performed in regular and due form, time, and manner as required by law; that this Note is issued pursuant to the Tax Increment Act; and that this Note together with all other indebtedness of the City outstanding on the date hereof and on the date of its actual issuance and delivery, does not cause the indebtedness of the City to exceed any constitutional or statutory limitation thereon.

IN WITNESS WHEREOF, the City of Minneapolis, by action of its City Council, has caused this Note to be executed by the manual signature of its Finance Officer, and has caused this Note to be dated _____, 2004.

CITY OF MINNEAPOLIS

By: _____
Patrick Born
Its Finance Officer

Approved as to form:

Assistant City Attorney

EXHIBIT A TO NOTE

Description of the Property

[To be inserted prior to closing]

2. Be It Further Resolved that the form of the Note is hereby approved and shall be executed by the Finance Officer in substantially the form on file, with such changes therein not inconsistent with law as the Finance Officer may approve, which approval shall be conclusively evidenced by the execution thereof.

3. Be It Further Resolved that all actions of the members, employees and staff of the City and the Minneapolis Community Development Agency heretofore taken in furtherance of the issuance of the Note are hereby approved, ratified and confirmed.

4. Be It Further Resolved that the issuance of said Note to the Developer is hereby approved, and the Note is hereby directed to be sold to the Developer, upon the terms and conditions set forth in the Redevelopment Contract.

5. Be It Further Resolved that the Finance Officer is hereby authorized and directed to execute such other documents, agreements and certificates as may be required in connection with the Note.

6. Be It Further Resolved that no provision, covenant or agreement contained in the aforementioned documents, the Note or in any other document related to the Note, and no obligation therein or herein imposed upon the City or the breach thereof, shall constitute or give rise to any pecuniary liability of the City or any charge upon its general credit or taxing powers. In making the agreements, provisions, covenants and representations set forth in such documents, the City has not obligated itself to pay or remit any funds or revenues, other than funds and revenues derived from the tax increment revenues which are to be applied to the payment of the Note, as provided therein and in the Redevelopment Contract. The Note shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property or funds of the City except that revenue and proceeds pledged to the payment thereof, nor shall the City be subject to any liability thereon. The holders of the Note shall never have the right to compel any exercise of the taxing power of the City to pay the outstanding principal on the Note or the interest thereon, or to enforce payment hereon against any property of the City. The Note shall not constitute a debt of the City within the meaning of any constitutional or statutory limitation.

7. Be It Further Resolved that the Note, when executed and delivered, shall contain a recital that it is issued pursuant to the Tax Increment Act, and such recital shall be conclusive evidence of the validity of the Note and the regularity of the issuance thereof, and that all acts, conditions and things required by the laws of the State of Minnesota relating to the adoption of this resolution, to the issuance of the

Note and to the execution of the aforementioned documents to happen, exist and be performed precedent to and in the enactment of this resolution, and precedent to issuance of the Note and precedent to the execution of the aforementioned documents have happened, exist and have been performed as so required by law.

8. Be It Further Resolved that this resolution shall be in full force and effect from and after its publication.

Adopted 7/23/04.

Declining to Vote - Johnson

Comm Dev & W&M/Budget - Your Committee recommends acceptance of the low bid meeting specifications received on OP. #6291, submitted by Clarin Company in the amount of \$65,000 to furnish and deliver folding chairs to the Target Center, all in accordance with City specifications.

Adopted 7/23/04.

Absent - Johnson Lee

Comm Dev & W&M/Budget - Your Committee recommends that the proper City officers be authorized to negotiate and execute an agreement with River Services, Inc. regarding operation of the Upper Harbor Terminal for a ten year period (2005 through 2014), under the terms recommended by City staff and outlined in Petn No 269750.

Adopted 7/23/04.

Absent - Johnson Lee

The **HEALTH & HUMAN SERVICES** and **WAYS & MEANS/BUDGET** Committees submitted the following reports:

H&HS & W&M/Budget - Your Committee recommends that the proper City Officers be authorized to execute a contract with the State of Minnesota, Department of Public Safety, for the receipt of \$20,000 in Federal Homeland Security funds, on behalf of the metro region local public health departments, to allow cities and counties of the metro region to exercise response efforts to a multi-jurisdictional event that could cause wide spread health and loss of life issues. Further, passage of the accompanying Resolution appropriating \$20,000 to Health & Family Support.

Adopted 7/23/04.

RESOLUTION 2004R-310
By Johnson Lee and Johnson

Amending The 2004 General Appropriation Resolution.

Resolved by The City Council of The City of Minneapolis:

That the above-entitled Resolution, as amended, be further amended by increasing the appropriation for the Health & Family Support Agency in the Grants - Federal Fund (030-860-8621) by \$20,000 and increasing the Revenue Source (030-860-8621 - Source 3210) by \$20,000.

Adopted 7/23/04.

H&HS & W&M/Budget - Your Committee recommends that the proper City Officers be authorized to apply for up to \$3,000,000 in funding from the United States Department of Housing and Urban Development to be used for lead hazard reduction in areas designated by the grant application. Further, that the funds will be primarily used in the East Phillips Neighborhood in conjunction with arsenic cleanup performed by the United States Environmental Protection Agency (EPA) and associated environmental remediation performed by other agencies in conjunction with the EPA cleanup.

Adopted 7/23/04.

The **INTERGOVERNMENTAL RELATIONS** Committee submitted the following report:

IGR – Your Committee recommends that the proper City officers be authorized to file an objection with the Commissioner of the Minnesota Department of Revenue in the event that the 2005 Local Government Aid certification is less than an amount to which Minneapolis is entitled.

Adopted 7/23/04.

The **PUBLIC SAFETY & REGULATORY SERVICES** Committee submitted the following reports:

PS&RS - Your Committee, to whom was referred an ordinance amending Title 12, Chapter 244 of the Minneapolis Code of Ordinances relating to *Housing: Maintenance Code*, clarifying that no reinspection fee will be charged when all orders have been completed, now recommends that said ordinance be given its second reading for amendment and passage.

Adopted 7/23/04.

Ordinance 2004-Or-080 amending Title 12, Chapter 244 of the Minneapolis Code of Ordinances relating to *Housing: Maintenance Code*, amending Section 244.190 to clarify that no reinspection fee will be charged when all orders have been completed, was passed 7/23/04 by the City Council. A complete copy of this ordinance is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized ordinance.

ORDINANCE 2004-Or-080

By Niziolek

Intro & 1st Reading: 6/18/04

Ref to: PS&RS

2nd Reading: 7/23/04

Amending Title 12, Chapter 244 of the Minneapolis Code of Ordinances relating to Housing: Maintenance Code.

The City Council of The City of Minneapolis do ordain as follows:

Section 1. That Section 244.190 of the above-entitled ordinance be amended to read as follows:

244.190. Reinspection fee. (a) There shall be no fee charged for an initial inspection to determine the existence of a housing maintenance code violation; ~~nor any fee for the first reinspection to determine compliance with an order to correct a housing maintenance code violation.~~

A one hundred dollar (\$100.00) fee shall be charged for each subsequent reinspection finding noncompliance that is conducted ~~occurring~~ after the due date for compliance with an order, as determined by the director of inspections or the director's designee.

(b) The reinspection fees prescribed above shall be billed directly to the owner or contact person/agent of the property. Reinspection fees shall be increased by fifty (50) percent when not paid within thirty (30) days after initial billing, to cover administrative costs. Failure to pay such fees shall be grounds for denial, revocation, suspension, or non-renewal of a rental dwelling or lodging house license.

This subsection shall not be considered the exclusive method of collecting reinspection fees and shall not preclude collection by other lawful methods.

(c) Every notice of violation and order to correct housing code violations shall contain a clear and conspicuous explanation of the policy in this section requiring ~~reinspection fees for subsequent~~ reinspections.

(d) The director, and housing inspection supervisors designated by the director, may waive a reinspection fee in case of error, mistake, injustice, or other good cause.

Adopted 7/23/04.

PS&RS - Your Committee, having under consideration the application of Topshelf Club Inc, dba Club Spin, 10 S 5th St, for an On-Sale Liquor Class A with Sunday Sales License (new business) to expire April 1, 2005, now recommends that said license be granted, subject to the following conditions:

- a. the licensee will not allow any activities to occur on its premises which include or involve nude or semi-nude dancing, revealing or inappropriate employee attire, mud wrestling, wet T-shirt contests, employee wrestling with customers or sexually suggestive touching, and other similar types of activities.
- b. violation of the terms of the license conditions shall provide a basis for revocation of the City's consent for the licensee to operate the Class A Liquor License.
- c. final inspection and compliance with all provisions of applicable codes and ordinances.

Adopted 7/23/04.

Declining to Vote - Benson.

PS&RS - Your Committee, having under consideration the application of La Bodega Tapas Bar LLC, dba La Bodega Tapas Bar, 3005 Lyndale Av S, for an On-Sale Liquor Class C-1 with Sunday Sales License (regular expansion of premises) to expire April 1, 2005, now recommends that said license be sent forward without recommendation.

Niziolek moved that the report be postponed. Seconded.

Adopted upon a voice vote.

PS&RS - Your Committee, having under consideration the application of Raising The Bar LLC, dba Zeno Coffee & Dessert Bar, 2919 Hennepin Av, for an On-Sale Liquor Class C-1 with Sunday Sales License (upgrade from Wine/Strong Beer) to expire April 1, 2005, now recommends that said license be granted, subject to the following conditions:

- a. the licensee shall offer a limited variety of alcoholic drinks, such as those that are coffee based, vodka based, liqueurs, cordials, aperitifs, dessert based drinks, top quality spirits and wines listed on the menu.
- b. the licensee shall not offer mixed drinks for high-balls or shooters, offer shots, or offer any type of happy hour or special sales offers for alcoholic drinks.
- c. final inspection and compliance with all provisions of applicable codes and ordinances.

Adopted 7/23/04.

Declining to Vote - Benson.

Approved by Mayor Rybak 7/23/04.

(Published 7/27/04)

PS&RS - Your Committee, having under consideration the application of B & W Specialty Coffee Company, dba Gigi's Cafe, 822-24 W 36th St, for an On-Sale Wine Class E with Strong Beer License (new business) to expire April 1, 2005, and a Sidewalk Cafe License (new business) to expire April 1, 2005, and having held a public hearing thereon, now recommends that said licenses be granted, subject to final inspection and compliance with all provisions of applicable codes and ordinances.

Adopted 7/23/04.

Declining to Vote - Benson.

PS&RS - Your Committee recommends passage of the accompanying Resolution granting applications for Liquor, Wine and Beer Licenses.

Adopted 7/23/04.

Declining to Vote - Benson.

Resolution 2004R-311, granting applications for Liquor, Wine and Beer Licenses, was passed 7/23/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-311

By Niziolek

Granting Liquor, Wine and Beer Licenses.

Resolved by The City Council of The City of Minneapolis:

That the following applications for liquor, wine and beer licenses be granted:

On-Sale Liquor Class A with Sunday Sales, to expire June 27, 2004

Gay Nineties Inc, dba Gay 90's, 400 Hennepin Av (temporary expansion of premises June 25, 2004, 5:00 p.m. to 1:00 a.m.; June 26, 2004, 10:00 a.m. to 1:00 a.m.; and June 27, 2004, 10:00 a.m. to 1:00 a.m.);

On-Sale Liquor Class A with Sunday Sales, to expire April 1, 2005

Trimark Hotel Corporation, dba Millennium Hotel, 1313 Nicollet Mall (new corporate officer and manager);

On-Sale Liquor Class B with Sunday Sales, to expire July 4, 2004

River Jakes Inc, dba Nye's Polonaise Room, 112 E Hennepin Av (temporary expansion of premises with outdoor entertainment July 4, 2004, 6:30 p.m. to 11:00 p.m.);

On-Sale Liquor Class B with Sunday Sales, to expire January 1, 2005

Murray's Inc, dba Murray's, 24 S 6th St, 1st floor (regular expansion of premises);

CSM Hospitality Inc, dba Courtyard by Marriott, 225 3rd Av S (new manager);

On-Sale Liquor Class B with Sunday Sales, to expire April 1, 2005

D'Amico Cucina Inc, dba D'Amico Cucina, 100 6th St N (new manager);

Jazzmines Restaurant & Nightclub LLC, dba Jazzmines, 123 3rd St N (new manager);

On-Sale Liquor Class B with Sunday Sales, to expire July 1, 2004

Brothers of Mpls Inc, dba Brothers, 430 1st Av N, #101 (new manager);

TGI Friday's of Minnesota Inc, dba TGI Friday's, 615 Hennepin Av (new manager);

Last Cowboy LLC, dba Bar Abilene, 1300 Lagoon Av (new manager);

On-Sale Liquor Class B with Sunday Sales, to expire June 12, 2004

German Restaurant Inc, dba Gasthof Zur Gemutlichkeit, 2300 University Av NE (temporary expansion of premises with entertainment, June 4, 5, 11 & 12, 2004, 6:00 p.m. to 10:00 p.m.);

On-Sale Liquor Class C-1 with Sunday Sales, to expire April 1, 2005

Rooftop Inc, dba Marshall Field's Marketplace, 1070 Nicollet Mall (new manager);

On-Sale Liquor Class E with Sunday Sales, to expire January 1, 2005

Bilimbi Bay Minnesota LLC, dba Bilimbi Bay, 1400 Lagoon Av (new manager);

Restaurant Properties Inc, dba Figlio, 3001 Hennepin Av, Calhoun Square (new manager);

On-Sale Liquor Class E with Sunday Sales, to expire October 1, 2004

Mortons of Chicago Minneapolis Inc, dba Morton of Chicago, 555 Nicollet Mall (new manager);

On-Sale Wine Class E with Strong Beer, to expire April 1, 2005

Noodle Shop Company-Minnesota Inc, dba Noodles & Company, 233 Cedar Av S (new manager);

Restaurant El Rey De Oro Inc, dba Restaurant El Rey De Oro, 3501 Nicollet Av;

Temporary On-Sale Beer

Hot Summer Jazz Inc, dba Hot Summer Jazz, 400 1st St N, #311 (June 22, 2004, 6:00 p.m. to 10:00 p.m., Irving Av S from Lake to Lagoon);

Kulture Klub Collaborative, dba Bastille Day, 41 N 12th St (July 18, 2004, 2:00 p.m. to 10:00 p.m., Irving Av from Lake to Lagoon).

Adopted 7/23/04.

Declining to Vote - Benson.

PS&RS - Your Committee recommends passage of the accompanying Resolution granting applications for Business Licenses.

Adopted 7/23/04.

Resolution 2004R-312, granting applications for Business Licenses, was passed 7/23/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-312
By Niziolek

Granting applications for Business Licenses.

Resolved by The City Council of The City of Minneapolis:

That the following applications for business licenses (including provisional licenses) as per list on file and of record in the Office of the City Clerk under date of July 23, 2004 be granted, subject to final inspection and compliance with all provisions of the applicable codes and ordinances (Petn No 269758):

Dancing School; Dry Cleaning & Laundry Pickup Station; Laundry; Place of Entertainment; All Night Special Food; Confectionery; Drive In Food; Farm - Produce Permit Nonprofit; Grocery; Food Manufacturer; Meat Market; Mobile Food Vendor; Restaurant; Food Shelf; Short-Term Food Permit; Seasonal Short Term Food; Sidewalk Cafe; Heating, Air Conditioning & Ventilating Class B; Lodging House; Lodging House with Boarding; Motor Vehicle Dealer - Cycles & Motorbikes; Motor Vehicle Dealer - Used Only; Motor Vehicle Dealer - Additional Lot; Motor Vehicle Repair Garage; Towing Class B; Towing Class C; Commercial Parking Lot Class A; Peddler - Foot; Peddler - Special Religious; Pet Shop; Precious Metal Dealer; Recycling/Salvage Yard; Refrigeration Systems Installer; Residential Specialty Contractor; Secondhand Goods Class B; Solid Waste Hauler; Tattooist/Body Piercer; Taxicab Vehicle; Tobacco Dealer; Combined Trades; Tree Servicing; and Valet Parking.

Adopted 7/23/04.

PS&RS - Your Committee recommends passage of the accompanying Resolution granting applications for Gambling Licenses.

Adopted 7/23/04.

Resolution 2004R-313, granting applications for Gambling Licenses, was passed 7/23/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-313
By Niziolek

Granting applications for Gambling Licenses.

Resolved by The City Council of The City of Minneapolis:

That the following applications for gambling licenses be granted, subject to final inspection and compliance with all provisions of the applicable codes and ordinances:

Gambling Class B

Edison Youth Hockey Association, dba Edison Youth Hockey Association, 1306 Central Av NE (Site: NE Palace, 2500 4th St NE);

Gambling Lawful Exempt

Church of All Saints, dba Church of All Saints, 435 4th St NE (Bingo, Raffle, Paddlewheel & Pulltabs September 12, 2004);

AIDS Care Partners, dba AIDS Care Partners, 4457 3rd Av S (Bingo & Raffle September 18, 2004 at Incarnation Catholic Church School, 3800 Pleasant Av);

AIDS Care Partners, dba AIDS Care Partners, 4457 3rd Av S (Bingo & Raffle October 30, 2004 at Incarnation Church, 3817 Pleasant Av S).
Adopted 7/23/04.

PS&RS - Your Committee recommends passage of the accompanying Resolution approving Technical Advisory Committee recommendations relating to the Combined Trades Licenses held by Ryan Plumbing & Heating Co, 811 University Av, St. Paul.
Adopted 7/23/04.

Resolution 2004R-314, approving Technical Advisory Committee recommendations relating to the Combined Trades Licenses held by Ryan Plumbing & Heating Co, 811 University Av, St. Paul, was passed 7/23/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-314
By Niziolek

Approving Technical Advisory Committee recommendations relating to the Combined Trade Licenses held by Ryan Plumbing & Heating Co, 811 University Av, St. Paul.

Whereas, the Public Safety & Regulatory Services Committee received Findings of Fact, Conclusions and Recommendations after the Licenses Division received a complaint against Ryan Plumbing & Heating; and

Whereas, the licensee has agreed to forgo a Technical Advisory Committee hearing for failure to obtain all necessary permits in the City of Minneapolis; and

Whereas, the licensee has stipulated that the Findings of Fact, Conclusions and Recommendations are true and correct;

Now, Therefore, Be It Resolved by The City Council of The City of Minneapolis:

That the following TAC recommendations be adopted, as more fully set forth in said Findings on file in the Office of the City Clerk and made a part of this report by reference:

a. the licensee agrees that they will obtain all necessary permits for the estimated 40 to 50 addresses in the City of Minneapolis that were not obtained prior to May 1, 2004. All permits voluntarily obtained before June 1, 2004 will not be assessed a double fee or a fine. After June 1, 2004, double fees and fines will be in effect.

b. the licensee agrees to arrange inspections, for all permits obtained in item "a" above, within 60 days. The licensee must contact all home owners and business owners and arrange and be present for the inspection.

c. the licensee understands that future violations will result in further license action, which may include revocation, suspension, and administrative fines.

d. the licensee agrees that all future work performed in the City of Minneapolis will have permits as stipulated by City ordinances. Emergency work must have permits obtained within 24 hours.

e. the licensee agrees to notify the Department of Inspections with 24 hours notice of required inspections.

f. the licensee agrees to honor all Inspection orders by the date specified on the order unless they request an extension date for the order.

Adopted 7/23/04.

PS&RS - Your Committee recommends that the proper City Officers be authorized to execute a contract renewal with Hennepin Technical College to provide taxicab driver training through June 30, 2005. Said training shall consist of an estimated ten classes at a cost of \$1,785 per training session,

payable from a combination of funds jointly paid by the taxicab service company, the taxicab driver, and Licenses & Consumer Services.

Adopted 7/23/04.

PS&RS - Your Committee recommends approval of the Minneapolis Police Department Business Plan, as set forth in Petn No 269759 on file in the Office of the City Clerk. Further, that the Mayor be requested to include in his budget funding to prevent the reduction of 137 positions as laid out in the Business Plan.

Adopted 7/23/04. Yeas, 10; Nays, 3 as follows:

Yeas - Zerby, Lilligren, Johnson Lee, Niziolek, Samuels, Johnson, Colvin Roy, Zimmermann, Schiff, Ostrow.

Nays - Benson, Goodman, Lane.

The **PUBLIC SAFETY & REGULATORY SERVICES** and **WAYS & MEANS/BUDGET** Committees submitted the following reports:

PS&RS & W&M/Budget - Your Committee recommends that Phil Hafvenstein be granted Step 7 of the newly created Manager, MPD Intellectual Properties salary schedule.

Adopted 7/23/04.

PS&RS & W&M/Budget - Your Committee recommends that the proper City Officers be authorized to solicit a Request for Proposal for a new Computer Aided Dispatch (CAD) System for Emergency Communications, to include mobile communications and a records management system for the Fire Department.

Adopted 7/23/04.

PS&RS & W&M/Budget - Your Committee recommends that the proper City Officers be authorized to accept a grant award of \$50,000 from the State of Minnesota Department of Public Safety, Division of Homeland Security and Emergency Management to fund enhance training and exercising capabilities for the City's first responders to respond to a terrorist act or a chemical, biological, radiological, nuclear or explosive incident that could cause loss of life and impact the economy of the City and region. Further, passage of the accompanying Resolution appropriating \$50,000 to the Fire Department.

Adopted 7/23/04.

RESOLUTION 2004R-315 By Niziolek and Johnson

Amending The 2004 General Appropriation Resolution.

Resolved by The City Council of The City of Minneapolis:

That the above-entitled Resolution, as amended, be further amended by increasing the appropriation for the Fire Department Agency in the Grants - Federal Fund (030-280-2880) by \$50,000 and increasing the Revenue Source (030-280-2880 - Source 3210) by \$50,000.

Adopted 7/23/04.

PS&RS & W&M/Budget - Your Committee, having under consideration the Federal Urban Area Security Initiative Grant, now recommends that the proper City Officers be authorized to:

a. accept a total grant award of \$4,883,000 from the United States Department of Homeland Security to support efforts to prevent, respond, mitigate and recover from any terrorism event that may impact the urban area, with funding to be allocated as follows (Petn No 269761):

- \$4,200,000 to the Emergency Communications Center for a new Computer Aided Dispatch System;

- \$608,740 to the Fire Department; \$25,000 of said allocation will be contributed to the University of Minnesota to assist in efforts to acquire an 800 MHz system, with the remainder to be allotted for the purchase of a Mobile Response Unit, Hazardous Material Team Equipment and for training and exercise costs;

- \$74,260 to the Police Department to provide equipment for HAZMAT capability.

b. Execute any other sub-recipient agreements necessary to implement the project.

Further, passage of the accompanying Resolution appropriating \$4,883,000 to the Fire Department, Police Department, and Emergency Communications Center.

Adopted 7/23/04.

RESOLUTION 2004R-316

By Niziolek and Johnson

Amending The 2004 General Appropriation Resolution.

Resolved by The City Council of The City of Minneapolis:

That the above-entitled Resolution, as amended, be further amended as follows:

a. increasing the appropriation for the Fire Department Agency in the Grants - Federal Fund (030-280-2880) by \$608,740.

b. increasing the appropriation for the Police Department Agency in the Grants - Federal Fund (030-400-DT09) by \$74,260.

c. increasing the appropriation for the Emergency Communications Agency in the Grants - Federal Fund (030-830-8020) by \$4,200,000.

d. increasing the Revenue Source for the Fire Department (030-280-2880 - Source 3210) by \$4,883,000.

Adopted 7/23/04.

PS&RS & W&M/Budget - Your Committee, having under the Police Department Intellectual Properties Initiative, and having issued a Request for Proposals in 2003 for enhancements to the public sector time and personnel management application, now recommends that the proper City Officers be authorized to:

a. execute a professional services agreement with Sogeti USA LLC for marketing WorkForce Director, a City-owned employee management software application.

b. execute a five-year agreement for City and Contractor marketing of WorkForce Director, whereby Sogeti will provide evaluation, installation and implementation of WorkForce Director to City licensee's desirous of contracting with Sogeti for such services.

c. authorize the City to receive revenue, to be received in part by Sogeti and providing the City with development credits. Said credits to consist of technical development services and upgrades to WorkForce Director.

d. authorize a waiver of the Permanent Review Committee requirement for Requests for Proposals for upgrades to WorkForce Director, paid for in part or in whole with software development credits services received through this agreement.

e. authorize the City Attorney to identify and provide required legal services in support of negotiations with Sogeti; furtherance of the Intellectual Property Initiative; and protection of the City's current and future intellectual properties.

Adopted 7/23/04.

The **TRANSPORTATION & PUBLIC WORKS** Committee submitted the following reports:

T&PW - Your Committee recommends that the proper City officers be directed to execute an amendment to the Joint Stormwater Monitoring Cooperative Agreement with the Minneapolis Park and

Recreation Board and the City of St Paul to extend the contract timeframe for the Cooperative Agreement through January 1, 2005.

Adopted 7/23/04.

T&PW - Your Committee recommends that the proper City officers be directed to continue negotiations for the sale of the City of Minneapolis South Transfer Station, located 2850 20th Av S, with the Green Institute for the purpose of a proposed combined heat and power bio-mass plant.

Adopted 7/23/04. Yeas, 12; Nays 1 as follows:

Yeas - Zerby, Lilligren, Johnson Lee, Niziolek, Benson, Goodman, Samuels, Johnson, Colvin Roy, Zimmermann, Schiff, Ostrow.

Nays - Lane.

T&PW - Your Committee, having under consideration the 2004 Minneapolis Aquatennial festival to be held July 16 through July 25, 2004, now recommends approval of the Aquatennial festival activities, special events, program components, and permit requests as contained in Petn No 269765 on file in the Office of the City Clerk.

Your Committee further recommends that the Aquatennial and its partners present a plan to increase fundraising and decrease the percentage of reliance on the General Fund over a five-year period, and return to Committee with that plan in June 2005.

Adopted 7/23/04.

T&PW - Your Committee recommends passage of the accompanying Resolution exploring the feasibility of a streetcar system in the City of Minneapolis.

Zerby moved that the resolution be amended by deleting all but the first whereas clause. Seconded.

The report, as amended, was adopted 7/23/04.

Yeas, 12; Nays 1 as follows:

Yeas - Zerby, Lilligren, Johnson Lee, Niziolek, Benson, Goodman, Samuels, Johnson, Colvin Roy, Zimmermann, Schiff, Ostrow.

Nays - Lane.

Resolution 2004R-317 exploring the feasibility of a streetcar system in the City of Minneapolis, was passed on 7/23/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-317

By Schiff

Exploring the feasibility of bringing back a streetcar system in Minneapolis.

Whereas, the City of Minneapolis has a strong interest in providing transit alternatives for those who live and work in Minneapolis;

Now, Therefore, Be It Resolved by The City Council of The City of Minneapolis:

That the City wishes to explore the feasibility of bringing back a streetcar system in Minneapolis and will work with the Midtown Greenway Coalition to explore what the streetcar system's potential costs and benefits might be to the City.

Be It Further Resolved that the City Council designate a working group to undertake the following functions:

- Work on feasibility issues with the Midtown Greenway Coalition
- Engage other partners in the streetcar discussion, including the business community, housing providers, Hennepin County, Metro Transit, Met Council, the legislature and Minnesota's congressional delegation

- Determine alternative strategies for funding a feasibility study of a streetcar system
- Determine a site within the City of Minneapolis for a modern streetcar demonstration
- Issue a report to the City Council no later than December 1, 2004 that lists key outcomes, decision points and next steps, at which time the working group would be dissolved.

Be It Further Resolved that the initial membership of this working group be composed of the following members:

- Council Members
- A representative of Mayor Rybak
- Midtown Greenway Coalition representatives
- Planning Director or designee
- CPED Director or designee
- Public Works Director or designee
- Metro Transit representative
- Hennepin County representative

Be It Further Resolved that staffing for the working group be provided by staff from the following departments: Public Works, Planning division of CPED and Business Development division of CPED.

Adopted 7/23/04. Yeas, 12; Nays 1 as follows:

Yeas - Zerby, Lilligren, Johnson Lee, Niziolek, Benson, Goodman, Samuels, Johnson, Colvin Roy, Zimmermann, Schiff, Ostrow.

Nays - Lane.

T&PW - Your Committee recommends that the proper City officers take appropriate steps to support and enforce the noise mitigation plan as a critical element of the FAA's Record of Decision in the Final Environmental Impact Statement of the Minneapolis-St. Paul Airport 2010 Plan.

Adopted 7/23/04.

The **TRANSPORTATION & PUBLIC WORKS** and **WAYS & MEANS/BUDGET** Committees submitted the following reports:

T&PW & W&M/Budget - Your Committee, having under consideration the Chicago Avenue Reconstruction Project (28th St E to Lake Street), and having held a public hearing thereon, now recommends:

- a) Passage of a Resolution ordering the City Engineer to proceed and do the work and adopting the special assessments in the total amount of \$323,923.99 for the Chicago Avenue Reconstruction Project;
- b) Passage of a Resolution requesting the Board of Estimate and Taxation to issue and sell assessment bonds in the amount of \$323,900; and
- c) Passage of a Resolution ordering the City Engineer to abandon and remove the areas located in the public street right-of-way that are in conflict with the Reconstruction Project.

Adopted 7/23/04.

Approved by Mayor Rybak 7/23/04.

(Published 7/27/04)

Resolution 2004R-318 ordering the work to proceed and adopting the special assessments for the Chicago Avenue Street Reconstruction, Project 6194 (28th St E to Lake St), was passed on 7/23/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-318
By Colvin Roy and Johnson

Chicago Avenue Street Reconstruction, Project 6194

Ordering the work to proceed and adopting the special assessments for the Chicago Avenue Street Reconstruction Project (28th Street East to Lake Street).

Whereas, a public hearing was held on July 13, 2004, in accordance with Chapter 10, Section 6 of the Minneapolis City Charter and Section 24.180 of the Minneapolis Code of Ordinances to consider the proposed improvements as designated in Resolution 2004R-247, passed May 28, 2004 to consider the proposed special assessments as on file in the office of the City Clerk and to consider all written and oral objections and statements regarding the proposed improvements and the proposed special assessments;

Now, Therefore, Be It Resolved by The City Council of The City of Minneapolis:

That the City Engineer is hereby ordered to proceed and do the work as designated in said Resolution 2004R-247, passed May 28, 2004.

Be it Further Resolved that the proposed special assessments in the total amount of \$323,923.99 for the Chicago Avenue Street Reconstruction Project, as on file in the office of the City Clerk be and hereby are adopted and assessed against the benefited properties.

Be It Further Resolved that for the Chicago Avenue Street Reconstruction Project, the number of successive equal annual principal installments by which the special assessments of more than \$150 may be paid shall be fixed at twenty (20) and that the interest charged at the same rate as the assessment bonds are sold for with collection of the special assessments to begin on the 2005 real estate tax statements.

Be It Further Resolved that the number of installments by which the special assessments of \$150 or less may be paid shall be fixed at one (1) and that interest be charged at the same rate as the assessment bonds are sold for, with collection of the special assessments on the 2005 real estate tax statements.

Adopted 7/23/04.

Approved by Mayor Rybak 7/23/04.

Resolution 2004R-319 requesting the Board of Estimate and Taxation issue and sell City of Minneapolis bonds in the amount of \$323,900 for certain purposes other than the purchase of public utilities, was passed on 7/23/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-319
By Colvin Roy and Johnson

Chicago Avenue Street Reconstruction, Project 6194

Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$323,900 for certain purposes other than the purchase of public utilities.

Resolved by The City Council of The City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds for the purpose of paying the assessed cost of street improvements in the Chicago

Avenue Street Reconstruction, Project 6194, to be assessed against benefited properties as estimated by the City Council, which assessments shall be collectible in twenty (20) successive annual installments, payable in the same manner as real estate taxes.

Adopted 7/23/04.

Approved by Mayor Rybak 7/23/04.

Resolution 2004R-320 ordering the City Engineer to abandon and remove the areaways located in the public street r/w in conflict with the Chicago Avenue Street Reconstruction, Project 6194, was passed on 7/23/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-320
By Colvin Roy and Johnson

Chicago Avenue Street Reconstruction, Project 6194

Ordering the City Engineer to abandon and remove the areaways located in the public street right-of-way that are in conflict with the street reconstruction project in the Chicago Avenue area.

Whereas, the City of Minneapolis has scheduled the reconstruction improvements during 2004 in the Chicago Avenue area of Minneapolis; and

Whereas, there are areaways located in the public street right-of-way that are in conflict with said reconstruction; and

Whereas, a public hearing was held on July 13, 2004 in accordance with Chapter 10, Section 6 of the Minneapolis City Charter and Sections 24.180 and 95.90 of the Minneapolis Code of Ordinances to consider the proposed abandonment and removal of the above mentioned areaways and to consider all written and oral objections and statements regarding the proposed areaway abandonment and removal;

Now Therefore, Be It Resolved by The City Council of The City of Minneapolis:

That the City Engineer is hereby ordered and directed to abandon and remove the conflicting areaways located in the public street right-of-way adjoining the properties along Chicago Avenue (both sides) from 28th Street East to Lake Street.

Adopted 7/23/04.

Approved by Mayor Rybak 7/23/04.

T&PW & W&M/Budget - Your Committee recommends approval of the installation of a pair of speed humps along Longfellow Av S between 45th and 46th St E.

Your Committee further recommends passage of the accompanying Resolution increasing the appropriation and revenue for the Public Works - Transportation Capital Agency by \$4,500, to be fully reimbursed by the Standish Ericsson Neighborhood Revitalization Program.

Adopted 7/23/04.

RESOLUTION 2004R-321
By Colvin Roy and Johnson

Amending the 2004 Capital Improvement Appropriation Resolution

Resolved by The City Council of The City of Minneapolis:

That the above-entitled Resolution, as amended, be further amended by increasing the appropriation for the PW-Transportation Capital Agency in the Permanent Improvement Fund (4100-943-9440 - B1679)

by \$4,500 and increasing the revenue source (4100-943-9440 - Source 3845) by \$4,500 to be fully reimbursed by the Standish Ericsson Neighborhood Revitalization Program.

Adopted 7/23/04.

T&PW & W&M/Budget - Your Committee, having under consideration the I-394 Third Avenue Distributor (TAD) parking ramps, now recommends that the proper City officers execute an amendment to the MnDOT Management Agreement No. 66310, between the Commissioner of Transportation for the State of Minnesota (MnDOT) and the City of Minneapolis, to clarify the procedures for transferring the existing TAD garage fund balance to the State's special revenue account and transferring funds from the State's special revenue account to the City for TAD garage operating and maintenance expense reimbursement.

Your Committee further recommends that the proper City officers transfer the existing fund balance in the TAD garage account to MnDOT after the amendment to the Management Agreement is executed.

Adopted 7/23/04.

T&PW & W&M/Budget - Your Committee recommends passage of the accompanying Resolution approving bids submitted to the Public Works Department, all in accordance with City specifications.

Adopted 7/23/04.

Resolution 2004R-322 granting approval of the bids for a police negotiator van, paving equipment, wetland establishment and maintenance, traffic signal loop detectors, and turf establishment, was passed on 7/23/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-322
By Colvin Roy and Johnson

Granting approval of the bids for projects and/or services for the City of Minneapolis.

Resolved by The City Council of The City of Minneapolis:

That the following be accepted and that the proper City officers be authorized to execute contracts for the projects and/or services in accordance with City specifications and contingent upon approval of the Civil Rights Department. (Petn. No. 269766)

a) OP #6266, Accept bid of LDV, Inc. in the amount of \$140,640 to furnish and deliver a police negotiator van;

b) OP #6268, Accept low responsive bid of Road Machinery & Supplies, Inc. for an estimated expenditure of \$289,520 to furnish and deliver rental of paving equipment with option to buy;

c) OP #6274, Accept low bid of Wetland Habitat Restoration, Inc. for an estimated expenditure of \$68,000 to furnish and deliver all labor, materials, equipment, and incidentals necessary for wetland establishment and maintenance;

d) OP #6281, Accept low bid of Collins Electrical Systems, Inc. (d/b/a ColliSys) for an estimated annual expenditure of \$150,000 to furnish and deliver all labor, materials, equipment, and incidentals necessary for the installation of traffic signal loop detectors as needed through May 31, 2005; and

e) OP #6285, Accept overall low bid of Castrejon, Inc. for an estimated annual expenditure of \$200,000 to furnish and deliver turf establishment.

Adopted 7/23/04.

The **WAYS & MEANS/BUDGET** Committee submitted the following reports:

W&M/Budget - Your Committee recommends concurrence with the recommendation of the City Attorney for settlement of the claim of MetLife Auto & Home Insurance Company by payment in the

amount of \$9,625 and that the proper City officers be authorized to execute all documents necessary to finalize the settlement.

Adopted 7/23/04.

W&M/Budget - Your Committee recommends that the proper City officers be authorized to amend the City's contract with Bentley Systems Incorporated (#C-17010) that provides for assistance with the Computer-Aided Civil Engineering Software (Engineering 2000) by extending the term of the contract from December 31, 2004 for the duration of the software use and allowing for increases in the contract for annual system maintenance costs. Contract costs will be payable from operating funds.

Adopted 7/23/04.

W&M/Budget - Your Committee recommends that the proper City officers be authorized to execute an amendment to the City's contract with Accela (#C-20028) that provides for assistance with the KIVA business information system, for additional professional services including installation, implementation, consultation and/or training; and to increase said contract amount by up to \$100,000 per year for annual maintenance costs for the duration of the software use. Contract costs will be payable from operating funds.

Adopted 7/23/04.

W&M/Budget - Your Committee recommends acceptance of the low bid received on OP #6276 from Swanson and Youngdale, Inc. in the amount of \$97,445 to provide all labor, materials, equipment and incidentals necessary for the removal and replacement of wall fabric at the Minneapolis Convention Center; and that the proper City officers be authorized to execute a contract for said services, all in accordance with City specifications.

Adopted 7/23/04.

W&M/Budget - Your Committee recommends that the proper City officers be authorized to issue a Request for Proposals (RFP) seeking group benefits for long term disability (LTD) and life insurance for City employees. Said authorization is granted pending approval of the RFP by the Permanent Review Committee.

Adopted 7/23/04.

Approved by Mayor Rybak 7/23/04.

(Published 7/27/04)

W&M/Budget - Your Committee, having under consideration the New Central Library Project, now recommends approval of Change Order #1 to Contract #020073 with NewMech Companies, Inc., increasing the contract by \$48,286, for a new total of \$744,286, for additional construction service as recommended by the project coordinator.

Adopted 7/23/04.

W&M/Budget - Your Committee recommends approval of the participation of the following seven charitable fundraising organization in the 2004 City of Minneapolis Charitable Campaign:

Community Solutions Fund

Community Health Charities

Open Your Heart to the Hungry and Homeless

United Negro College Fund

United Arts

Minnesota Environmental Fund

United Way of Minneapolis Area.

Adopted 7/23/04.

W&M/Budget - Your Committee recommends concurrence with the recommendation of the Finance Officer that Michael Nguyen, Director of Treasury (Finance) be appointed as City representative to the Board of the Minneapolis Police Relief Association.

Adopted 7/23/04.

W&M/Budget - Your Committee recommends acceptance of a monetary donation in the amount of \$200 from an anonymous resident of the City.
Adopted 7/23/04.

W&M/Budget - Your Committee recommends that the proper City officers be authorized to issue a Request for Proposals (RFP) to serve on a City Financial Services Consultant Panel; Said authorization is granted pending approval of the RFP by the Permanent Review Committee.
Adopted 7/23/04.

W&M/Budget - Your Committee recommends passage of the accompanying resolution establishing a procurement policy relating to the City's purchase or rental of items of apparel.
Adopted 7/23/04.

Resolution 2004R-323 establishing a procurement policy relating to the City's purchase or rental of items of apparel, was passed 7/23/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-323
By Zerby, Johnson, Johnson Lee, Niziolek

Establishing a procurement policy relating to the purchase or rental of items of apparel from only responsible manufacturers and factories able to demonstrate good faith efforts at compliance with laws regarding wages and benefits, workplace health and safety, forced and child labor.

Whereas, it is in the best interest of the City to procure items of apparel from responsible manufacturers and factories that provide a safe, non-discriminatory work environment, and who compensate their employees with non-poverty wages; and

Whereas, some manufacturers and factories in the apparel and textile industries have engaged in practices that result in poverty wages, violations of workers' rights and unsafe and unhealthy working conditions; and

Whereas, as a participant in the marketplace, the City chooses to allocate its procurement dollars to enhance the economic and social well being of people, while acquiring the best possible quality goods at the lowest cost;

Now, Therefore, Be It Resolved by The City Council of The City of Minneapolis:

A. **General.** When sealed bids are required under the provisions of Minn. Stat. §471.345 for the purchase, rental, laundering or dry cleaning of items of apparel, contracts shall be awarded only to bidders who comply with this Resolution. The City Council also may require compliance with this Resolution by bidders not subject to Minn. Stat. § 471.345 when the council find that such compliance would effectuate the policies and purposes of the Resolution.

B. **Bid Specifications.** The City's Purchasing Director shall cause the provisions of this Resolution to be included in specifications, per Section A-General of this Resolution, for apparel purchasing, rental, laundering and dry cleaning. The specifications are to be incorporated into the contracts for procured items. .

C. **Certification.** A successful bidder proposes must submit an affidavit to the City's Purchasing Director certifying that any factory or manufacturer to be used by the bidder meets all of the criteria of a responsible factory or manufacturer of apparel, as defined below. The affidavit must include the name, address, and phone number of any factory or manufacturer of apparel to be used by the bidder.

D. **Definitions.** In this Resolution:

Apparel means all items of clothing and cloth produced by weaving, knitting and felting, and shall include uniforms, coveralls, footwear, linens and entrance mats.

Factory means any workplace, regardless of size, that processing, fabricating, assembling, treating or packaging items of apparel occurs.

Manufacture means to process, fabricate, assemble, treat or package items of apparel.

Non-poverty wage for domestic manufacturers means a base hourly wage adjusted annually to the amount required to produce, for 2,080 hours worked, an annual income equal to or greater than the U.S. department of health and human services' most recent poverty guideline for a family of 3 plus an additional 20 percent of the wage level paid either as hourly wages or health benefits.

Non-poverty wage for non-domestic manufacturers means a nationwide wage and benefit level which is comparable to the non-poverty wage for domestic manufacturers as defined in paragraph c(1) after being adjusted to reflect the country's level of economic development by using a factor such as the relative national standard of living index in order to raise a family of 3 out of poverty. In addition, workers shall not be subject to disciplinary wage deductions.

Responsible factory or manufacturer means a place of business or an establishment engaged in manufacturing, distributing, laundering or dry cleaning that can demonstrate all of the following:

1. Compliance with all applicable local and international labor laws and workplace regulations regarding wages and benefits, workplace health and safety, as well as the fundamental conventions of the international labor organization, including those regarding forced and child labor and freedom of association.

2. Payment to its employees of the higher of (a) the legal minimum wage; (b) the prevailing wage in the industry in the country of production; or (c) non-poverty wages as defined above for domestic and non-domestic manufacturers.

3. Required working hours for hourly and quota-based production employees of the lesser of (a) 48 hours per week or (b) the limits on regular hours allowed by the law of the country of manufacture. At least one day off in every seven day period, as well as holidays and vacations. All overtime hours worked voluntarily.

4. No discrimination in employment including hiring, salary, benefits, advancement, discipline, termination or retirement. No discrimination on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin.

5. No sexual, psychological, or verbal harassment or abuse, no corporal punishment, no forced use of contraceptives, or forced pregnancy tests.

6. Termination of its employees only with just cause. Establishment of a mechanism for the resolution of workplace disputes.

7. No attempts to dissuade, intimidate, harass or retaliate against any person for exercising any rights of freedom of speech or association, including the right to organize and the right to collective bargaining, consistent with applicable state and federal laws and regulations.

E. Monitoring. Any contractor or subcontractor engaged in an apparel contract who has been found by the City's Purchasing Director to have submitted any false, misleading or fraudulent information or to have failed to comply with this Resolution may be declared to be in breach of contract and may be subject to withholding of payments or termination, suspension or cancellation of the contract in whole or part.

F. Waiver. The requirements of this section may be waived in writing by the City Council if all bidders to a contract are deemed ineligible under this section, or in the case of an emergency affecting the public's safety or health.

G. Severability. If one part of this resolution is deemed illegal by a court of law and struck down, the remaining parts of the resolution remain in full force and effect.

Adopted 7/23/04.

W&M/Budget - Your Committee recommends concurrence with the recommendation of the Empowerment Zone (EZ) Governance Board to forgive an EZ loan in the amount of \$164,000 to Siyeza, Inc., a frozen and refrigerated food manufacturing company located at 1000 Humboldt Av N, contingent upon meeting certain employment goals. The Empowerment Zone will secure a vendor note with Stairstep Foundation in the amount of \$50,000 until said hiring goals are met. The established goal is

to employ 66 EZ residents (including currently employed EZ residents) during the next five years. The vendor note will be a no interest balloon payment loan due in five years.

Adopted 7/23/04. Yeas, 7; Nays, 6 as follows:

Yeas - Zerby, Lilligren, Johnson Lee, Niziolek, Samuels, Johnson, Colvin Roy.

Nays - Benson, Goodman, Lane, Zimmermann, Schiff, Ostrow.

The **ZONING & PLANNING** Committee submitted the following reports:

Z&P - Your Committee, having under consideration the appeal filed by David Juncker, 16 E Minnehaha Parkway, from the decision of the Board of Adjustment which denied his application for a variance to reduce the required front yard setback along E Minnehaha Pkwy from the setback established by connecting a line between the front two corners of the two adjacent residential structures to 80' to allow for a 12' X 8' conservatory porch addition onto the front of the existing single-family dwelling, now recommends that said appeal be granted, and that the findings prepared by the Department of Planning & Economic Development staff be adopted, and the variance approved.

Adopted 7/23/04.

Z&P - Your Committee, having under consideration the appeal filed by Matthew Perry from the decision of the Board of Adjustment which approved the application of John Damico, 4219 Colfax Ave S, for a variance to locate a parking area between the principal building and a front lot line and a variance to allow parking in the required front yard setback along Colfax Ave S to allow for a flat parking space, now recommends that that said appeal be granted, and that the findings prepared by the Department of Planning & Economic Development staff be adopted, and the variance denied.

Adopted 7/23/04. Yeas, 12; Nays, 1 as follows:

Yeas – Zerby, Lilligren, Johnson Lee, Niziolek, Benson, Goodman, Lane, Samuels, Johnson, Colvin Roy, Schiff, Ostrow.

Nays – Zimmermann.

Z&P - Your Committee, having under consideration the appeal filed by Wayne Liepke from the decision of the Board of Adjustment relating to conditions placed on approval of the application for a variance to reduce the required lot area from 5,000 square feet to 4,500 square feet to allow for construction of a duplex dwelling at 685 – 22nd Ave NE, now recommends that the appeal be granted, in part, by granting the variance subject to the following revised conditions:

a) That the Department of Community Planning & Economic Development review and approve final site and elevation plans;

b) That an approximately 520 square foot basement be added to the dwelling;

c) That the roof pitch be revised to 8/12;

d) That the windows in the front of the house be reorientated in a vertical proportion; and

e) That the exterior materials be quality vinyl siding installed in a professional manner.

Adopted 7/23/04.

Z&P - Your Committee, having under consideration the appeal filed by Sam's Club, Inc., on behalf of Hillcrest Development LLP, from the decision of the Board of Adjustment upholding the Zoning Administrator's determination that a Sam's Club "members-only" warehouse/wholesale club proposed at 3311 Broadway St NE is not a permitted use in the I1 District, now recommends that said appeal be denied and the decision of the Board of Adjustment be upheld.

Your Committee further recommends that City staff be directed to draft a legal opinion as to the City's authority to preclude wholesale clubs from the City in either industrial or commercial districts. In assessing such authority, City staff is directed to bring forward recommended amendments to the Zoning Code which would define wholesale clubs and allow the use in the C3S Districts, subject to a conditional use permit.

Schiff moved that the second paragraph of the report be deleted. Seconded.

Adopted by unanimous consent.

The report, as amended, was adopted 7/23/04.

Z&P - Your Committee, having under consideration the appeal filed by Franklin Lofts LLC/Lupe Development Partners, from the decision of the Heritage Preservation Commission (HPC) which denied an application for an amended Certificate of Appropriateness to relocate five decorative grilles from a building at 111 E Franklin Ave, in the Washburn-Fair Oaks Historic District, now recommends that said appeal be granted, and that the amended Certificate be approved.

Adopted 7/23/04. Yeas, 12; Nays, 1 as follows:

Yeas - Zerby, Johnson Lee, Niziolek, Benson, Goodman, Lane, Samuels, Johnson, Colvin Roy, Zimmermann, Schiff, Ostrow.

Nays – Lilligren.

Z&P - Your Committee, having under consideration the application of Tony Berg for a waiver from the moratorium on the construction of new single-family dwellings, two-family dwellings, and multiple-family dwellings of three or four units in the area of North Minneapolis bounded by W Broadway Ave and the Mississippi River to the City limits, except housing being developed in conjunction with the Community Planning and Economic Development Department, to permit application for construction of a new single-family home on the lot to the south of 4557 Camden Ave N, now recommends that said waiver be granted, and that the findings prepared by the Department of Planning & Economic Development staff be adopted.

Adopted 7/23/04.

Z&P – Your Committee concurs in the recommendations of the Planning Commission relating to the applications of Chicago Commons Corporation (BZZ-1753) to develop property at 2401, 2409, 2413, 2417 Chicago Ave S and 2408, 2414 Elliot Ave S, and adopting the related findings prepared by the Department of Planning & Economic Development, as follows:

a) Granting the petition to rezone the properties from R2B to the OR2 District, by passage of the accompanying ordinance amending the Zoning Code;

b) Approving the application (#1440) to vacate part of an “L-shaped” alley, subject to retention of easement rights, by passage of the accompanying resolution.

Adopted 7/23/04.

Ordinance 2004-Or-081, amending Title 20, Chapter 521 of the Minneapolis Code of Ordinances relating to *Zoning Code: Zoning Districts and Maps Generally*, rezoning the properties at 2401, 2409, 2413, 2417 Chicago Ave S and 2408, 2414 Elliot Ave S to the OR2 District, was passed 7/23/04 by the City Council. A complete copy of this ordinance is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized ordinance.

ORDINANCE 2004-Or-081

By Schiff

1st & 2nd Readings: 7/23/04

Amending Title 20, Chapter 521 of the Minneapolis Code of Ordinances relating to Zoning Code: Zoning Districts and Maps Generally.

The City Council of The City of Minneapolis do ordain as follows:

Section 1. That Section 521.30 of the above-entitled ordinance be amended by changing the zoning districts for the following parcels of land to the OR2 District (Plate 20), pursuant to MS 462.357:

A. Brackett & Boveys Addition to Minneapolis, Block 004 Lots 1, 9 and 10 and the North 18 feet of Lot 2 including adjacent vacant alley (2401 Chicago Ave S) (PID: 35-029-24-24-0001).

B. Brackett & Boveys Addition to Minneapolis, Lot 008, Block 004, North ½ (2409 Chicago Ave S) (PID: 35-029-24-24-0009).

C. Brackett & Boveys Addition to Minneapolis, Block 004, North 18 ½ feet of Lot 7 and South ½ of Lot 8 (2413 Chicago Ave S) (PID: 35-029-24-24-0008).

D. Brackett & Boveys Addition to Minneapolis, Block 004, North 10 feet of Lot 6 and South 38 ½ feet of Lot 7 (2417 Chicago Ave S) (PID: 35-029-24-24-0007).

E. Brackett & Boveys Addition to Minneapolis, Block 004, Lot 3 and the South 25 feet of Lot 2 excluding part taken for alley (2408 Elliot Ave S) (PID: 35-029-24-24-0003).

F. Brackett & Boveys Addition to Minneapolis, Lot 004, Block 004 (2414 Elliot Ave S) (PID: 35-029-24-24-0004).

Adopted 7/23/04.

Resolution 2004R-324, vacating part of an “L-shaped” alley in Block 4, Brackett and Bovey’s Addition to Minneapolis, was passed 7/23/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-324

By Schiff

Vacating part of an “L-shaped” alley in Block 4, Brackett and Bovey’s Addition to Minneapolis.

Resolved by The City Council of The City of Minneapolis:

That all that part of public right of way alley in block 4, Brackett and Bovey’s Addition to Minneapolis lying between the south line of 24th street and a line drawn from a point in the East line of Lot 9, said block 4, distant 25 feet North from the SE corner of said Lot 9 to a point in the West line of Lot 2, said block 4, distant 39 feet North from the SE corner of Lot 2 is hereby vacated except that such vacation shall not affect the existing easement right and authority of Xcel Energy, Qwest Communications, Centerpoint Energy-Minnegasco, and the City of Minneapolis-Public Works and Fire Department, their successors and assigns, to enter upon that portion of the aforescribed part of the public right of way alley in block 4, Brackett and Bovey’s Addition to Minneapolis which is described in regard to retention of easement rights to each of the said corporation(s) as follows, to wit:

As to Xcel Energy has no objection to the said vacation, provided however, that easement rights in favor of Northern States Power Company dba Xcel Energy over that part of the North-South alley subject to the said location and located in Block 4, Brackett and Bovey’s Addition to Minneapolis;

As to Qwest has existing facilities located within the vacation proposal; however, payment has been received to relocate the facilities to the new alley location;

As to Centerpoint Energy-Minnegasco has existing facilities located within the vacation proposal; however, payment has been received to relocate the facilities to the new alley location;

As to the Minneapolis Fire Department, provided the vacation submitted will not have an impact on existing structures as it relates to the Fire Code, in accordance with Fire Code access;

As to the Minneapolis Public Works Department provided the newly dedicated “L-shaped” alley right of way extending to Elliot Avenue be 16 feet in width, include a 10’ x 10’ corner cut, and that a legal deed document, dedicating the new alley easement to the City of Minneapolis, be submitted to the said Public Works-Right of Way Division office;

to operate, maintain, repair, alter, inspect or remove its above-described utility facilities and said easement right and authority is hereby expressly reserved to each of the above-named corporations and the City of Minneapolis, and no other person or corporation shall have the right to fill, excavate, erect buildings or other structures, plant trees or perform any act which would interfere with or obstruct access to said part of the public right of way alley in block 4, Brackett and Bovey’s Addition to Minneapolis upon or within the above-described areas without first obtaining the written approval of the corporations and the Director of Public Works of the City of Minneapolis having utility facilities located within the area involved authorizing them to do so.

Where the area described above in regard to any of the other corporations, or any part thereof lies within the area described above in regard to the City of Minneapolis, the rights reserved to the other corporation or corporations shall be subordinate to the rights reserved to the City of Minneapolis to the same extent that said rights would be subordinate if this part of the public right of way alley in block 4, Brackett and Bovey's Addition to Minneapolis had not been vacated.

Adopted 7/23/04.

Z&P – Your Committee concurs in the recommendation of the Planning Commission granting the petition of the Minneapolis Public Housing Authority (BZZ-1739) to rezone the property at 1101 – 4th Ave N from R4 to the R5 District to permit multifamily public housing for seniors, and adopting the related findings prepared by the Department of Community Planning & Economic Development.

Your Committee further recommends passage of the accompanying ordinance amending the Zoning Code.

Adopted 7/23/04.

Ordinance 2004-Or-082, amending Title 20, Chapter 521 of the Minneapolis Code of Ordinances relating to *Zoning Code: Zoning Districts and Maps Generally*, rezoning the property at 1101-4th Ave N to the R5 District, was passed 7/23/04 by the City Council. A complete copy of this ordinance is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized ordinance.

ORDINANCE 2004-Or-082
By Schiff
1st & 2nd Readings: 7/23/04

Amending Title 20, Chapter 521 of the Minneapolis Code of Ordinances relating to Zoning Code: Zoning Districts and Maps Generally.

The City Council of The City of Minneapolis do ordain as follows:

Section 1. That Section 521.30 of the above-entitled ordinance be amended by changing the zoning district for the following parcel of land, pursuant to MS 462.357:

A. That part of Block 8 and 9 of R A Davidsons 2nd Addition and of Block 11 Stinsons Addition described as follows: Commencing at the NW corner of Block 9 of R A Davidsons 2nd Addition thence South 168 feet along the West line thereof thence East parallel with North line of said Block 9 and the same extended to West line of Dupont Avenue North thence North along said West line to the South line of 4th Avenue North thence Westerly along said South line to beginning including adjacent vacant streets (1101 – 4th Ave N – Plate 13) to the R5 District.

Adopted 7/23/04.

Z&P – Your Committee concurs in the recommendation of the Planning Commission granting the petition of MPH-Clinton II, LLC (BZZ-1768) to rezone the property at 1800-1810 Clinton Ave S from R3 to the OR3 District to permit a 32-unit, for sale condominium development, and adopting the related findings prepared by the Department of Community Planning & Economic Development.

Your Committee further recommends passage of the accompanying ordinance amending the Zoning Code.

Adopted 7/23/04.

Ordinance 2004-Or-083, amending Title 20, Chapter 521 of the Minneapolis Code of Ordinances relating to *Zoning Code: Zoning Districts and Maps Generally*, rezoning the property at 1800-1810 Clinton Ave S to the OR3 District, was passed 7/23/04 by the City Council. A complete copy of this ordinance is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized ordinance.

ORDINANCE 2004-Or-083
By Schiff
1st & 2nd Readings: 7/23/04

Amending Title 20, Chapter 521 of the Minneapolis Code of Ordinances relating to Zoning Code: Zoning Districts and Maps Generally.

The City Council of The City of Minneapolis do ordain as follows:

Section 1. That Section 521.30 of the above-entitled ordinance be amended by changing the zoning district for the following parcel of land, pursuant to MS 462.357:

A. That part of Lots 6-8, Block 21, Jackson Daniels & Whitney's Addition of Minneapolis (1800-1810 Clinton Ave S – Plate 20) to the OR3 District.

Adopted 7/23/04.

Z&P – Your Committee concurs in the recommendation of the Planning Commission in denying the petition of Brakins Homes, Inc (BZZ-1782) to rezone the property at 908 Washburn Ave N from R1 to the R4 District to permit construction of a 25-unit, three-story residential condominium development.

Adopted 7/23/04.

Z&P – Your Committee concurs in the recommendation of the Planning Commission in denying the petition of Tad Sonneman (BZZ-1766) to rezone the property at 572-74 – 37th Ave NE from R1A to the R4 District to permit use of the existing structure as a three-family dwelling, and adopting the related findings prepared by the Department of Community Planning & Economic Development.

Adopted 7/23/04.

Z&P – Your Committee concurs in the recommendations of the Planning Commission relating to the applications of 1301 University Avenue LLC (BZZ-1752) to develop property at 1301 University Ave SE into a mixed-use building including 92 dwelling units and up to 2 commercial spaces, and adopting the related findings prepared by the Planning Department, as follows:

a) Granting the petition to rezone the properties from C2 with the Pedestrian Oriented Overlay District to the OR3 with the Pedestrian Oriented Overlay District, by passage of the accompanying ordinance amending the Zoning Code;

b) Approving the application (#1409) to vacate part of the north-south alley located between the east-west alley and University Ave SE, subject to retention of easement rights, by passage of the accompanying resolution.

Adopted 7/23/04.

Ordinance 2004-Or-084, amending Title 20, Chapter 521 of the Minneapolis Code of Ordinances relating to *Zoning Code: Zoning Districts and Maps Generally*, rezoning the property at 1301 University Ave SE to OR3 with the Pedestrian Oriented Overlay District, was passed 7/23/04 by the City Council. A complete copy of this ordinance is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized ordinance.

ORDINANCE 2004-Or-084
By Schiff
1st & 2nd Readings: 7/23/04

Amending Title 20, Chapter 521 of the Minneapolis Code of Ordinances relating to Zoning Code: Zoning Districts and Maps Generally.

The City Council of The City of Minneapolis do ordain as follows:

Section 1. That Section 521.30 of the above-entitled ordinance be amended by changing the zoning district for the following parcels of land to the OR3 with the Pedestrian Oriented Overlay District (1301 University Ave SE – Plate 15), pursuant to MS 462.357:

A. All of Lots 8, 9, 10, 11, 12; and the Southwesterly 19 feet of Lot 7; and that part of Lot 13 lying Northwesterly of a line drawn from the most Easterly corner thereof, to a point on the Southwesterly line of said Lot 13, distant 25 feet Northwesterly of the most Southerly corner thereof. All in Lowry's Subdivision of Block "C" in Tuttle's Addition to St. Anthony, according to the recorded plat thereof, Hennepin County, Minnesota.

B. That part of Lot 14, Lowry's Subdivision of Block "C" in Tuttle's Addition to St. Anthony, according to the recorded plat thereof Hennepin County, Minnesota, described as follows: Beginning on the Northwesterly line of said Lot 14 to a point 163.3 feet from the most Northerly corner thereof; thence Southwesterly on the Northwesterly line of said Lot 14 to the right-of-way of the St. Paul, Minneapolis and Manitoba Railway; thence Northeasterly along said right-of-way to a point 96 feet Westerly at right angles from the Northwesterly line of 14th Ave SE; thence Northeasterly on a line parallel with 14th Ave SE to a point 163.3 feet Southwesterly on said line from the Southwesterly line of 4th St SE; thence Northwesterly 94.36 feet, more or less, to the point of beginning.

Adopted 7/23/04.

Resolution 2004R-325, vacating that part of the north south alley located between the east west alley and University Ave SE, was passed 7/23/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-325

By Schiff

Vacating that part of the north south alley located between the east west alley and University Avenue Southeast.

Resolved by The City Council of The City of Minneapolis:

That all of that part of the alley, as dedicated in Lowry's Subdivision of Block "C", Tuttle's Addition to Saint Anthony, according to the plat thereof on file and of record in the office the Register of Deeds in and for Hennepin County, State of Minnesota, lying south of the southeasterly extension of a line parallel with and 14 feet north of the south line of Lot 7 thereof;
AND

All that part or parcel of Lot Thirteen (13) of Lowry's Subdivision of Block "C", Tuttle's Addition to Saint Anthony, according to the plat thereof on file and of record in the office the Register of Deeds in and for Hennepin County, State of Minnesota, bounded and described, as follows, to-wit: Beginning at the most easterly corner of said Lot Thirteen (13), running thence southwesterly along the southeasterly line of said lot to the most southerly corner thereof; thence northwesterly along the southwesterly line of said lot twenty-five (25) feet; thence in a straight line to the point of beginning subject to the retention of easements by Xcel Energy as follows: subject to retention of an easement by Xcel Energy is hereby vacated except that such vacation shall not affect the existing authority of Xcel Energy, their successors and assigns, to enter upon that portion of the aforescribed utilities which is described in regard to each of said corporations as follows, to wit:

An easement in favor of Xcel Energy: A 5.00 foot wide strip of land lying southwesterly of the northeasterly line of that portion of the vacated alley described above;
to operate, maintain, repair, alter, inspect or remove its above-described utility facilities and said easement right and authority is hereby expressly reserved to each of the above-named corporations, and no other person or corporation shall have the right to fill, excavate, erect buildings or other structures,

plant trees or perform any act which would interfere with or obstruct access to said public alley upon or within the above-described areas without first obtaining the written approval of the corporation(s) having utility facilities located within the area involved authorizing them to do so.

Adopted 7/23/04.

Z&P – Your Committee recommends approval of the legal settlement in the case of *Industrial Equities Northeast, LLC vs. City of Minneapolis*, involving zoning matters for property at 701 Johnson St NE/1800 Broadway, and that the City Attorney's office be authorized to execute any documents necessary to effectuate settlement.

Adopted 7/23/04.

Z&P - Your Committee, having under consideration the environmental review process for the 520 & 521 Project located at 520 & 521 – 2nd St SE, and having received the recommendation of City staff that the Environmental Assessment Worksheet is adequate, now recommends that the Council not order the development of an Environmental Impact Statement and therefore make a Negative Declaration, and that the Findings of Fact and Record of Decision set forth in Petn No 269779 be adopted.

Adopted 7/23/04.

MOTIONS

Johnson moved that the regular payrolls for all City employees under City Council jurisdiction for the month of August, 2004, be approved and ordered paid subject to audit by the Finance Officer. Seconded.

Adopted 7/23/04.

Lane introduced the subject matter of an Ordinance amending Title 20, Chapter 520 of the Minneapolis Code of Ordinances relating to *Zoning Code: Introductory Provisions*, which was given its first reading and referred to the Zoning & Planning Committee (Amending definition of *sports and health facility*).

Colvin Roy introduced the subject matter of an Ordinance amending the Minneapolis Code of Ordinances relating to stormwater which was given its first reading and referred to the Transportation & Public Works Committee for a public hearing to be held Tuesday, September 14, 2004 (Amending the revenue generating approach in funding the City's stormwater related activities).

Johnson Lee introduced the subject matter of an Ordinance amending Title 21, Chapter 578 of the Minneapolis Code of Ordinances relating to the boundaries of the area in North Minneapolis subject to a moratorium on the construction of new single-family dwellings, two-family dwellings, and multiple-family dwellings or three or four units to include the Willard Hay, Near North, Harrison and Sumner Glenwood neighborhoods which was given its first reading and referred to the Zoning & Planning Committee.

RESOLUTIONS

Zerby offered a Resolution supporting, advocating and urging the Hennepin County Board of Commissioners to enact a County-wide smoke free ordinance prohibiting smoking in places of employment and restaurants.

Adopted 7/23/04.

(Not published. See Resolution 2004R-326 on file in the office of the City Clerk.)

The following is the complete text of the unpublished resolution.

RESOLUTION 2004R-326

By Zerby

Supporting, advocating and urging the Hennepin County Board of Commissioners to enact a County-wide smoke free ordinance prohibiting smoking in places of employment and restaurants.

Whereas, the Minneapolis City Council does hereby find that numerous studies have found that tobacco smoke is a major contributor to indoor air pollution, and that breathing secondhand smoke (also known as environmental tobacco smoke) is a cause of disease in healthy nonsmokers, including heart disease, stroke, respiratory disease, and lung cancer. The U.S. Surgeon General has determined that secondhand smoke is responsible for the early deaths of 65,000 Americans annually; and

Whereas the Public Health Service's National Toxicology Program has listed secondhand smoke as a known carcinogen (U.S. DHHS, 2000, citing Cal. EPA, 1997); and

Whereas, secondhand smoke is particularly hazardous to elderly people, individuals with cardiovascular disease, and individuals with impaired respiratory function, including asthmatics and those with obstructive airway disease. Children exposed to secondhand smoke have an increased risk of asthma, respiratory infections, sudden infant death syndrome, developmental abnormalities, and cancer; and

Whereas, the Americans With Disabilities Act, which requires that disabled persons have access to public places and workplaces, deems impaired respiratory function to be a disability; and

Whereas, the U.S. Surgeon General has determined that the simple separation of smokers and nonsmokers within the same air space may reduce, but does not eliminate, the exposure of nonsmokers to secondhand smoke. The Environmental Protection Agency has determined that secondhand smoke cannot be reduced to safe levels in businesses by high rates of ventilation. Air cleaners, which are only capable of filtering the particulate matter and odors in smoke, do not eliminate the known toxins in secondhand smoke; and

Whereas a significant amount of secondhand smoke exposure occurs in the workplace; and

Whereas, employees who work in smoke-filled businesses suffer a 25-50% higher risk of heart attack and higher rates of death from cardiovascular disease and cancer, as well as increased acute respiratory disease and measurable decrease in lung function; and

Whereas, smoke-filled workplaces result in higher worker absenteeism due to respiratory disease, lower productivity, higher cleaning and maintenance costs, increased health insurance rates, and increased liability claims for diseases related to exposure to secondhand smoke; and

Whereas, smoking is a potential cause of fires; and

Whereas, some Minneapolis residents and business community are concerned that the enactment of a local ordinance prohibiting smoking in places of employment and restaurants will have a negative effect on the community's businesses because businesses in adjacent communities will not be subject to the same regulation; and

Whereas, the Minneapolis City Council has heard from those residents and businesses that a countywide or statewide smoke free ordinance is more appropriate than a local ordinance so as to not place at a disadvantage the businesses of this or any other individual community; and

Whereas, the City deems it prudent, reasonable and necessary to adopt an ordinance that reduces the exceptions to the Minnesota Clean Indoor Air Act with regard to smoking restrictions in public places and work places; and

Whereas, the City also deems it prudent, reasonable and necessary to support, advocate and urge the passage of at least a countywide ordinance (1) to protect the public health and welfare by prohibiting smoking in public places and places of employment; and (2) to guarantee the right of nonsmokers to breathe smoke free air, and to recognize that the need to breathe smoke free air shall have priority over

the desire to smoke;

Now, Therefore, Be It Resolved by The City Council of the City of Minneapolis:

That the City of Minneapolis hereby supports, advocates and urges the Hennepin County Board of Commissioners enact an ordinance establishing all places of employment and restaurants in Hennepin County as smoke free.

Adopted 7/23/04.

Benson, Colvin Roy, Lane, Ostrow, Zerby, Samuels, Johnson, Johnson Lee, Zimmermann, Goodman, Lilligren, Schiff, and Niziolek offered a Resolution commending the members of the Smoke Free Ordinance Task Force for their work in developing an ordinance to create a smoke free workplace environment.

Adopted 7/23/04.

(Not published. See Resolution 2004R-327 on file in the office of the City Clerk.)

The following is the complete text of the unpublished resolution.

RESOLUTION 2004R-327

By Benson, Colvin Roy, Lane, Ostrow, Zerby, Samuels, Johnson, Johnson Lee, Zimmermann, Goodman, Lilligren, Schiff, and Niziolek

Commending the members of the Smoke Free Ordinance Task Force for their work in developing an ordinance to create a smoke free workplace environment.

Whereas, on June 18, 2004 the Smoke Free Ordinance Task Force was assigned the arduous task of bringing forth an ordinance designed to eliminate unwanted customer and employee exposure to secondhand smoke; and

Whereas, the task force was expected to complete their assignment by July 23; and

Whereas, after three meetings and careful consideration of all the factors involved, the task force did in fact complete their assignment and brought forth an ordinance for City Council consideration;

Now, Therefore, Be It Resolved by The City Council of the City of Minneapolis:

That the City of Minneapolis wishes to extend our deepest thanks to the following members of the Smoke Free Ordinance Task Force: Rocco Forte, (Chair), Council Member Robert Lilligren, Council Member Dean Zimmermann, County Commissioner Gail Dorfman, Megan Ellingson, Jack Davis, Mike Jennings, Jeff Moritco, Kim Bartman, Greg Ortale, Joe and Bonnie Hesla, Kinshasha Kambui, Gretchen Musicant, Corinne Ertz, Kathy Lantry, Maureen Scallon, Dr. Ed. Ehlinger, Wade Luneberg, Kathy Iverson, Henry Reimer, Lori Olson, Patty Bowler, and Dave Thune.

Adopted 7/23/04.

UNFINISHED BUSINESS

Spincycle Coin Laundry (2937 Dupont Av S): Sent forward without recommendation application for Laundry License (Postponed 2/13/04, PS&RS)

Niziolek moved to continue postponement. Seconded.

Adopted by unanimous consent.

Indoor Smoking Ordinance: Passage of an Ordinance amending Title 11 of the Minneapolis Code of Ordinances relating to *Health and Sanitation*, adding a new Chapter 234 entitled "*Indoor Air Quality*". (Postponed 6/18/04, H&HS)

H&HS & PS&RS - Your Committee, to whom was referred an ordinance amending Title 11 of the Minneapolis Code of Ordinances relating to *Health and Sanitation* by adding a new Chapter 234 entitled "*Indoor Air Quality*", now recommends that said ordinance be given its second reading for amendment

and passage.

Johnson Lee moved that the report be amended by substituting a new ordinance prepared by the Smoke Free Ordinance Task Force. Seconded.

Johnson moved a substitute motion to substitute a new ordinance authored by Ostrow. Seconded.

Colvin Roy moved that the ordinance authored by Ostrow be amended in Section 234.10b by deleting the reference to 50% and substituting 70%. Seconded.

Adopted. Yeas, 8; Nays, 5 as follows:

Yeas - Lilligren, Benson, Goodman, Lane, Johnson, Colvin Roy, Zimmermann, Ostrow.

Nays - Zerby, Johnson Lee, Niziolek, Samuels, Schiff.

The report, with the substitute ordinance authored by Ostrow, lost. Yeas, 6; Nays, 7 as follows:

Yeas - Lilligren, Goodman, Lane, Johnson, Colvin Roy, Ostrow.

Nays - Zerby, Johnson Lee, Niziolek, Benson, Samuels, Zimmermann, Schiff.

Johnson moved that the report be amended by substituting a new ordinance she has authored. Seconded.

The report, with the substitute ordinance authored by Johnson, lost. Yeas, 5; Nays, 8 as follows:

Yeas - Lilligren, Goodman, Lane, Johnson, Colvin Roy.

Nays - Zerby, Johnson Lee, Niziolek, Benson, Samuels, Zimmermann, Schiff, Ostrow.

Johnson Lee's motion to amend the report by substituting an ordinance prepared by the Smoke Free Ordinance Task Force was adopted by unanimous consent.

The report, with substitute ordinance prepared by the Smoke Free Ordinance Task Force, was adopted 7/23/04. Yeas, 12; Nays, 1 as follows:

Yeas - Zerby, Lilligren, Johnson Lee, Niziolek, Benson, Goodman, Samuels, Johnson, Colvin Roy, Zimmermann, Schiff, Ostrow.

Nays - Lane.

Ordinance 2004-Or-085 amending Title 11 of the Minneapolis Code of Ordinances relating to *Health and Sanitation*, adding a new Chapter 234 relating to *Indoor Smoking*, was passed 7/23/04 by the City Council. A complete copy of this ordinance is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized ordinance.

ORDINANCE 2004-Or-085

By Zimmermann, Johnson Lee, Niziolek, Samuels, Schiff, Zerby

Intro & 1st Reading: 5/14/04

Ref to: H&HS and PS&RS

2nd Reading: 7/23/04

Amending Title 11 of the Minneapolis Code of Ordinances relating to Health and Sanitation by adding a new Chapter 234 relating to Indoor Smoking.

The City Council of The City of Minneapolis do ordain as follows:

Section 1. That the Minneapolis Code of Ordinances be amended by adding thereto a new Chapter 234 to read as follows:

CHAPTER 234. INDOOR SMOKING

234.10. Definitions. As used in this ordinance:

Bowling alleys and pool and billiard halls means those establishments licensed pursuant to Chapter 267, Articles IV and XII of this Code, whether or not they are also licensed as a liquor establishment.

Food establishment means those establishments licensed pursuant to Title 10 of this Code.

Liquor establishment means those establishments licensed pursuant to Title 14 of this Code.

Other person in charge has the meaning specified in the Minnesota Clean Indoor Air Act Rules, Minnesota Rules, part 4620.0100, subpart 10, as amended from time to time.

Proprietor has the meaning specified by the Minnesota Clean Indoor Air Act Rules, Minnesota Rules, part 4620.0100, subpart 13, as amended from time to time.

Smoking means the inhaling, exhaling or combustion of any cigar, cigarette, pipe, tobacco product, weed, plant or any other similar article. "Smoking" includes possessing or carrying a lighted cigar, cigarette, pipe or any other lighted smoking equipment.

234.20. Prohibitions.

- (1) Smoking is prohibited in bowling alleys and pool and billiard halls and liquor and food establishments.
- (2) General exceptions. The prohibitions of this section do not apply to:
 - a. Guest rooms of a hotel or motel;
 - b. Outdoor spaces;
 - c. Locations where smoking is expressly authorized by state or federal law or rule; or
 - d. The use of tobacco as part of a recognized religious ritual or activity.

234.30. Responsibilities of proprietors. The proprietor or other person in charge of a bowling alley, pool and billiard hall, or liquor or food establishment shall:

- (1) Post "No Smoking" signs that comply with the Minnesota Clean Indoor Air Act Rules, Minnesota Rules, part 4620.0500, as amended from time to time;
- (2) Ensure that ashtrays, lighters, and matchbooks are not provided in any area where smoking is prohibited; and
- (3) Ask any person who smokes in an area where smoking is prohibited to refrain from smoking and, if the person does not refrain from smoking after being asked to do so, take the appropriate action to remove the person from the premises.

234.40. Additional private prohibitions. Nothing in this ordinance prevents the proprietor or other person in charge of any place, including, without limitation, any residence, motor vehicle or outdoor space, from prohibiting smoking in any such place.

234.50. Retaliation prohibited. No person or employer shall discharge, refuse to hire, or in any manner retaliate against, any employee, applicant for employment, or customer because the employee, applicant or customer exercises any right to a smoke-free environment afforded by this ordinance or other law.

234.60. Employees' rights preserved. An employee who consents to work in a setting where an employer allows smoking does not waive or otherwise surrender any legal rights the employee may have against the employer or any other party.

234.70. Other applicable laws. This ordinance is intended to complement the Minnesota Clean Indoor Air Act, Minnesota Statutes, Sections 144.411 to 144.417, as amended from time to time. Nothing in this ordinance authorizes smoking in any location where smoking is prohibited or restricted by other laws.

234.80. Violation and penalties.

- (1) *Proprietors.* It is a violation of this ordinance for the proprietor or other person in charge of any premises subject to this ordinance to fail to comply with the requirements of 234.30, or to retaliate against an employee, applicant for employment or customer, as prohibited by 234.50.
- (2) *Civil fines.* Violations of this chapter may be enforced administratively pursuant to Chapter 2 of this Code. Each day of violation constitutes a separate offense.
- (3) *Adverse license action.* Violation of any provision of this chapter by a licensee shall be adequate grounds for the denial, refusal to renew, revocation or suspension of said license.
- (4) *Enforcement.* The provisions of this ordinance shall be enforced by the department of operations and regulatory services, the police department and fire department.
- (5) *Injunctive relief.* The city attorney may bring a civil action against the proprietor or other person in charge of a public place or place of work to enjoin repeated or continuing violations of this chapter.

234.90. Severability. If any portion of this chapter, or its application to any circumstances, is held invalid, the remaining provisions shall not be invalidated, and shall be given effect to the maximum extent possible.

234.100. Effective date. The provisions of this chapter shall become effective March 31, 2005.

Adopted 7/23/04. Yeas, 12; Nays, 1 as follows:

Yeas - Zerby, Lilligren, Johnson Lee, Niziolek, Benson, Goodman, Samuels, Johnson, Colvin Roy, Zimmermann, Schiff, Ostrow.

Nays - Lane.

Walker Community Library: Passage of Resolution creating a Walker Community Library Task Force to evaluate capital improvements to the existing facility and mixed-use alternatives on the site or sites in the immediate vicinity sent forward without recommendation. (Postponed 7/2/04, W&M/Budget)

W&M/Budget - Your Committee, having under consideration passage of the accompanying resolution creating a Walker Community Library Task Force to evaluate capital improvements to the existing facility and mixed-use alternatives on the site or sites in the immediate vicinity, now recommends that said resolution **be sent forward without recommendation**.

Niziolek moved that the report be amended by substituting a new resolution for the above-mentioned resolution and that the language, "sent forward without recommendation" be deleted and the word "approved" be inserted in lieu thereof. Seconded.

Adopted upon a voice vote.

The report, with a substitute resolution, was adopted 7/23/04.

Resolution 2004R-328, in support of a Walker Library Joint Taskforce, was passed 7/23/04 by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2004R-328

By Niziolek

In support of a Walker Library Joint Taskforce.

Whereas, Walker Community Library has served the Uptown area of Minneapolis with library services since 1911; and

Whereas, Walker Community Library continues to be a strong cultural institution in Uptown serving a diverse, vibrant and active neighborhood; and

Whereas, support for Walker Community Library's services is acknowledged and valued by the community, the City and the Minneapolis Library Board of Trustees; and

Whereas, commercial and public interests should be pursued in the interests of maintaining neighborhood vitality and livability; and

Whereas, mixed use development along commercial corridors enhances neighborhood vitality and livability; and

Whereas, City and the Minneapolis Library Board of Trustees are responsible for judicious use of the financial resources of the City and Library including partnerships that result in improved services for the citizens of Minneapolis;

Now, Therefore, Be It Resolved By The City Council of The City of Minneapolis:

That it supports a Walker Library Joint Taskforce whose responsibility will be to evaluate the efficacy of capital improvements to the existing facility and mixed-use alternatives on the current Walker Library site that may include housing and commercial uses, and a greatly enhanced library building designed to accommodate improved services.

Be It Further Resolved that the Joint Taskforce be co-chaired by the President of the Library Board and the Mayor (or their designees) and be composed of the following members:

- Two Minneapolis Public Library Trustees appointed by the Library Board

- Two City Council Members appointed by the City Council
- Two representatives appointed by the Library Board
- Two representatives appointed by the City Council.

Be It Further Resolved that staffing for the Joint Taskforce be provided by CPED and the Library Board.

Be It Further Resolved that the proposed work plan for the Joint Taskforce subject to final determination by the Taskforce includes the following:

- Evaluation of the feasibility of a mixed-use development on the current Walker Library site
- Consideration of preferred uses that will be part of a mixed-use development
- Consideration of a preliminary financing plan for the mixed-use development that will include a strategy for filling all project gaps
- Preparation and distribution of a Request for Proposals for the Walker Library site; and evaluation of proposals according to specified criteria
- Recommendations to the Mayor, City Council and Library Board as to a preferred course of action.

Be It Further Resolved that the Joint Taskforce completes its work and dissolves by February 28, 2005; and that the Mayor, City Council and Library Board agree on a course of action by March 31, 2005.

Be It Further Resolved that if an economically feasible alternative to provide for a greatly enhanced library building designed to accommodate improved services is not identified and agreed on, the Mayor and City Council will support Minneapolis Public Library's bonding request for capital improvements for Walker Library including replacement of the parking deck in 2005.

Adopted 7/23/04.

License Application: Motion by Lilligren to grant an application for a new wine license to G&A Partners, LLC, dba Lake Plaza Restaurant, 417 E Lake St. (Postponed 7/2/04, Motions)

By unanimous consent, the above report continued to be postponed.

NEW BUSINESS

Ostrow introduced an Ordinance amending Title 9, Chapter 173 of the Minneapolis Code of Ordinances relating to *Fire and Police Protection: Fire*, which was given its first reading and referred to the Public Safety & Regulatory Services and Ways & Means/Budget Committees (Amending the composition of the Fire Department).

Zimmermann introduced an Ordinance amending Title 13, Chapter 341 of the Minneapolis Code of Ordinances relating to *Licenses and Business Regulations: Taxicabs*, which was given its first reading and referred to the Public Safety & Regulatory Services Committee (Amending the taxicab safety ordinance).

Niziolek introduced Ordinances amending Title 4 of the Minneapolis Code of Ordinances relating to *Animals and Fowl*, which were given their first reading and referred to the Public Safety & Regulatory Services Committee:

a) Amending Chapter 62, *In General*, Section 62.40 (To increase the progressive impound fee to \$50, \$75 and \$100 for impoundments of the same animal within a calendar year and increasing the daily board fee to \$15).

b) Adding a new Chapter 65 entitled "*Ferrets*" (Legalizes ferrets and establishes a licensing requirement for these animals).

c) Adding a new Section 66.25 entitled "*Vaccination of ferrets required.*" and amending Section 66.30, *Defense*, and 66.40, *Impoundment of rabies suspect* (Requires rabies vaccination and establishes authority for ferrets).

Niziolek introduced the subject matter of an Ordinance amending Title 18, Chapter 474 of the Minneapolis Code of Ordinances relating to *Traffic Code: Vehicle Operation*, which was given its first reading and referred to the Public Safety & Regulatory Services Committee (Adding a section providing for automated photographic enforcement of red semaphores violations).

Lilligren moved that the meeting be adjourned. Seconded.

Adopted.

Adjourned.

Merry Keefe,
City Clerk.

Unofficial Publication: 7/26/2004
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10/04/2004